

# FINANCIAL AND PERSONNEL OVERVIEWS

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Chandler's employees are some of the most professional and compassionate in government today. It is a team dedicated and conditioned to high performance -- one more reason why our community continues to thrive.



### Adopted Budget Summaries

The Chandler City Council adopted the Fiscal Year (FY) 2017-18 budget of \$934,545,997 on June 8, 2017. Chandler's budget is balanced with total resources equal to total expense appropriation within each fund, as well as in the aggregate. The following pages contain summary information including comparisons to previous fiscal years.

The adopted budget includes funding from several sources including current revenues of \$469,243,510 and the use of \$314,660,785 of fund balance from various funds. Spending appropriation includes \$717,641,212 for departmental operations and capital, \$147,926,231 for contingencies and reserves, \$62,143,209 for debt service in various funds, and equipment, technology, and vehicle replacement purchases of \$6,835,345. Refer to the Where the Money Goes – by Function detail, within this section of the document, for further breakdown of the total budget between operations and capital.

#### Resources

	2015-16 Actual Revenues	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
Fund Balances	\$ -	\$ 483,501,895	\$ 314,660,785	(34.9%)
Sale of Bonds	70,000,000	-	126,226,000	N/A
Grants	23,058,178	35,683,322	24,415,702	(31.6%)
Revenues	460,481,470	452,065,390	469,243,510	3.8%
<b>Total Resources</b>	<b>\$ 553,539,649</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>
Encumbrance or Carryforward from Prior Years	-	(324,944,085)	(273,672,954)	
<b>Net Adjusted Budget</b>	<b>\$ 553,539,649</b>	<b>\$ 646,306,522</b>	<b>\$ 660,873,043</b>	<b>2.3%</b>

#### Appropriations

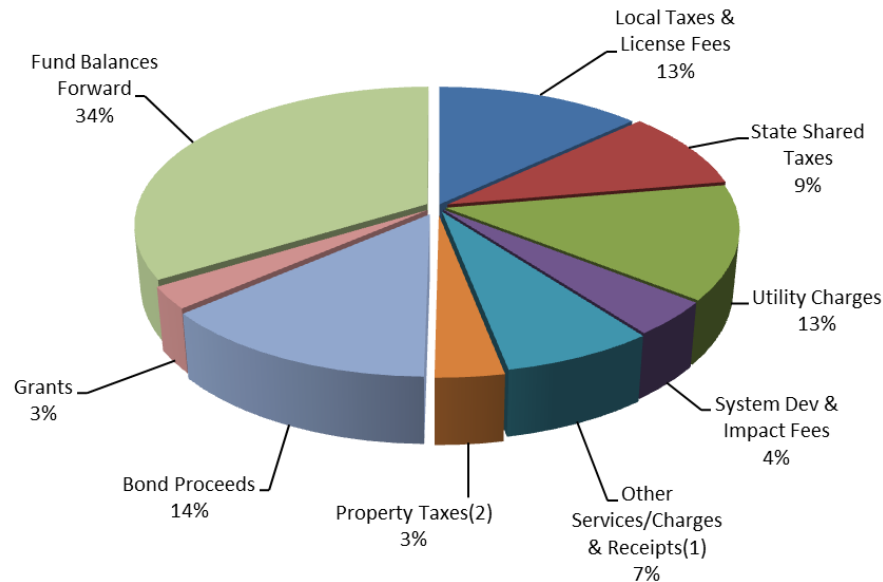
	2015-16 Actual Expenditures	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 123,800,939	\$ 187,823,511	\$ 180,019,394	(4.2%)
Public Safety	110,325,385	134,440,299	138,877,323	3.3%
Municipal Utilities <sup>(1)</sup>	116,186,975	360,677,425	254,364,047	(29.5%)
Transportation & Development	54,220,416	111,836,515	144,380,448	29.1%
Fund Contingencies & Reserves <sup>(2)</sup>	-	108,159,878	147,926,231	36.8%
Debt Service	66,163,463	59,454,061	62,143,209	4.5%
Capital/Tech/Vehicle Replacement	6,098,093	8,858,918	6,835,345	(22.8%)
<b>Total</b>	<b>\$ 476,795,271</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>
Encumbrance or Carryforward from Prior Years	-	(324,944,085)	(273,672,954)	
<b>Net Adjusted Budget</b>	<b>\$ 476,795,271</b>	<b>\$ 646,306,522</b>	<b>\$ 660,873,043</b>	<b>2.3%</b>

<sup>(1)</sup> Municipal Utilities Department includes funding for the utility expansions in which the City will pay for utility infrastructure costs and Intel Corporation will reimburse the City for these costs. Fiscal Year (FY) 2016-17 includes budget of \$2,534,358 (Wastewater Fund).

<sup>(2)</sup> Contingency funds and reserves are one-time appropriations comprised of various funds of which the majority is restricted in their use. These funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.

### Where the Money Comes From

Resources available for appropriation by the City Council are aggregated into the nine broad categories as shown on the chart and table below. The chart below reflects the percentage of total resource appropriation by category for Fiscal Year (FY) 2017-18. The table reflects the change in the adopted resource appropriation percentage from FY 2016-17 to FY 2017-18. As required by Arizona State statute, the property tax levy at an estimated \$30,499,600 was adopted on June 22, 2017. The levy includes a Primary Tax Rate of \$0.27 and a Secondary Tax Rate of \$0.87, for a total tax rate of \$1.14 per \$100 of assessed valuation.



	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
Local Taxes & License Fees	\$ 110,025,800	\$ 122,552,800	11.4%
State Shared Taxes	77,977,071	85,533,000	9.7%
Utility Charges	120,442,360	124,548,188	3.4%
System Dev & Impact Fees	47,010,700	38,002,800	(19.2%)
Other Services/Charges & Receipts <sup>(1)</sup>	66,633,439	67,857,122	1.8%
Property Taxes <sup>(2)</sup>	29,976,020	30,749,600	2.6%
Bond Proceeds	-	126,226,000	N/A
Grants <sup>(3)</sup>	35,683,322	24,415,702	(31.6%)
Fund Balances Forward	483,501,895	314,660,785	(34.9%)
<b>Total</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>

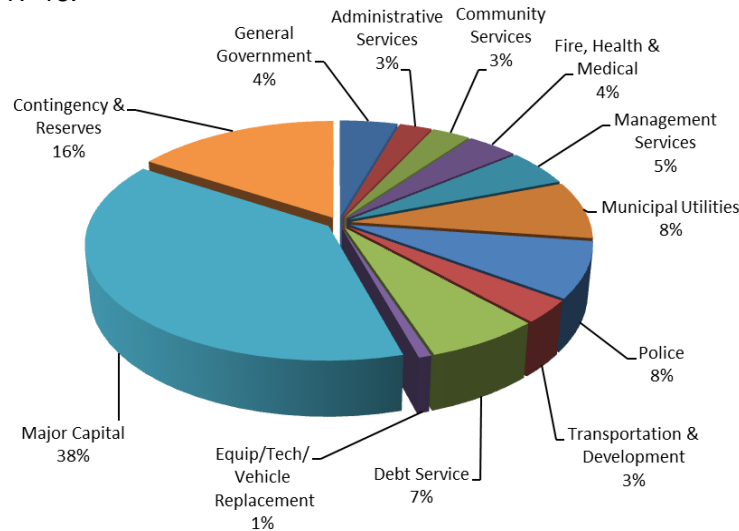
<sup>(1)</sup> The Other Services/Charges & Receipts category includes reimbursement revenue for a utility plant expansion in which Intel Corporation will reimburse the City for a portion of these costs. Amount reported includes reimbursement of \$2,534,358 (Wastewater Fund) in Fiscal Year (FY) 2016-17.

<sup>(2)</sup> FY 2016-17 Property Tax adopted amount of \$29,976,020 includes Prior Year Property Tax (Primary and Secondary) of \$350,000. FY 2017-18 Property Tax adopted amount of \$30,749,600 includes Prior Year Property Tax (Primary and Secondary) of \$250,000

<sup>(3)</sup> Effective July 1, 2017, the Adopted Budget for general operating Grants (Fund 217 only) will be in the Non-departmental cost center, rather than in department budgets. Expenditures will continue to occur within the Department and the budget will be adjusted accordingly. The exception to this is position specific funding. This change is intended to improve the management of grants by keeping the grant budgets out of cost center budgets until the notification of grant award is officially received by the City.

### Where the Money Goes

The chart below reflects the percentage of total expenditure appropriation of \$934,545,997 by department for Fiscal Year (FY) 2017-18. The table reflects the change in the adopted expenditure appropriation percentage from FY 2016-17 to FY 2017-18.



	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government <sup>(1)(2)(3)</sup>	\$ 57,295,062	\$ 41,894,144	(26.9%)
Administrative Services <sup>(1)</sup>	-	23,918,827	N/A
Community Services <sup>(2)</sup>	37,447,697	27,992,400	(25.2%)
Fire, Health & Medical <sup>(3)</sup>	36,290,297	37,093,677	2.2%
Management Services	45,582,003	48,121,520	5.6%
Municipal Utilities	71,833,055	75,578,193	5.2%
Police	71,304,115	73,199,775	2.7%
Transportation & Development	28,788,967	29,844,416	3.7%
Debt Service	59,454,061	62,143,209	4.5%
Equip/Tech/Vehicle Replacement	8,858,918	6,835,345	(22.8%)
Major Capital <sup>(4)</sup>	446,236,554	359,998,260	(19.3%)
Contingency & Reserves <sup>(5)</sup>	108,159,878	147,926,231	36.8%
<b>Total</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>
<b>By Category</b>			
Personnel & Benefits	\$ 191,281,633	\$ 202,457,300	5.8%
Operating & Maintenance	225,572,542	224,164,206	(0.6%)
<b>Subtotal Operating</b>	<b>416,854,175</b>	<b>426,621,506</b>	<b>2.3%</b>
Major Capital	446,236,554	359,998,260	(19.3%)
Contingency & Reserves	108,159,878	147,926,231	36.8%
<b>Total</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>

<sup>(1)</sup> Effective July 1, 2017, all Buildings and Facilities, Human Resources, Workers Compensation Liabilities, Fleet Services, Information Technology, and ITOC cost centers are transferred from the City Manager Department to the newly created Administrative Services Department.

<sup>(2)</sup> Effective July 2016, the Community Services Department is re-established with the transfer of the Cultural Affairs Divisions from City Manager and the transfer of the Neighborhood Resources Divisions to the City Manager Department.

<sup>(3)</sup> During FY 2016-17 Fleet Services transferred from Fire, Health & Medical Services to City Manager Department and effective July 1, 2017 Fleet Services is transferred to the new Administrative Services Department.

<sup>(4)</sup> In this presentation, the Major Capital does not include \$4,589,170 of reserves appropriated for cost center 1291, Non-departmental Capital, as it is included in the Contingency & Reserves category for FY 2016-17 and \$14,537,874 for FY 2017-18.

<sup>(5)</sup> Contingency & Reserve funds are one-time appropriations comprised of various funds of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls and unforeseen or emergency expenditures. Use of these funds requires Council approval.



Financial & Personnel Overview

Where the Money Goes – by Function

The adopted budget, divided between operating and capital appropriations, is shown below. Departmental operating budgets total \$357,642,952, debt service expense is \$62,143,209, and equipment, technology, and vehicle replacement purchases are \$6,835,345. Contingencies and reserves tied to operating costs are \$129,838,357 for an operating total of \$556,459,863.

Capital budgets include \$114,807,080 in new appropriation for department capital projects, \$259,729,054 in capital carryforward, and \$3,550,000 in capital contingencies and reserves for a total of \$378,086,134.

Operating Budget by Function (All Funds)

	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 141,351,262	\$ 141,926,891	0.4%
Public Safety	107,594,412	110,293,452	2.5%
Municipal Utilities	71,833,055	75,578,193	5.2%
Transportation & Development	28,788,967	29,844,416	3.7%
<b>Total Department Operating</b>	<b>\$ 349,567,696</b>	<b>\$ 357,642,952</b>	<b>2.3%</b>
Equip/Tech/Vehicle Replacement	8,858,918	6,835,345	(22.8%)
Debt Service	59,454,061	62,143,209	4.5%
Contingency & Reserves	102,020,708	129,838,357	27.3%
<b>Total Operating</b>	<b>\$ 519,901,383</b>	<b>\$ 556,459,863</b>	<b>7.0%</b>

Capital Budget by Function (All Funds)

	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 25,669,621	\$ 15,690,650	(38.9%)
Public Safety	16,751,013	8,318,300	(50.3%)
Municipal Utilities	61,427,059	30,477,000	(50.4%)
Transportation & Development	35,480,846	60,321,130	70.0%
<b>Total Major Capital</b>	<b>\$ 139,328,539</b>	<b>\$ 114,807,080</b>	<b>(17.6%)</b>
Capital Carryforward	310,470,685	259,729,054	(16.3%)
Contingency & Reserves	1,550,000	3,550,000	129.0%
<b>Total Capital</b>	<b>\$ 451,349,224</b>	<b>\$ 378,086,134</b>	<b>(16.2%)</b>
<b>Grand Total - Operating &amp; Capital</b>	<b>\$ 971,250,607</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>

### Departmental Budget Comparison Summary

The following tables provide summary and detail information on the change between the adopted budget for Fiscal Year (FY) 2016-17 and the adopted budget for FY 2017-18. For operating cost centers, explanations of significant highlights for the FY 2017-18 budgets are provided in detail in individual departmental sections of this document. Major capital projects information is provided at the departmental level in the Capital Budget section and in the City's Capital Improvement Program document.

	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Change Adopted to Adopted
Mayor and Council	\$ 838,109	\$ 878,151	\$ 897,526	\$ 900,628	\$ 909,003	3.5%
Communications and Public Affairs	2,235,251	2,523,492	2,817,324	2,804,144	2,669,650	5.8%
City Clerk	575,545	826,714	900,418	867,507	655,805	(20.7%)
City Manager	1,019,090	1,217,750	1,086,863	874,046	1,078,984	(11.4%)
Organizational Support	39,344,492	60,037,544	71,085,977	47,927,287	31,455,315	(47.6%)
City Magistrate	4,125,403	4,447,081	4,552,305	4,226,637	4,389,746	(1.3%)
Law	5,698,882	9,585,278	9,666,899	6,893,835	9,644,456	0.6%
Administrative Services <sup>(1)</sup>	-	-	-	-	33,688,296	N/A
Community Services	35,169,010	48,621,998	39,541,781	30,286,813	46,154,619	(5.1%)
Fire, Health & Medical	36,207,963	50,220,320	48,667,961	38,030,605	53,159,915	5.9%
Management Services	7,538,942	8,448,196	8,817,677	7,590,101	8,750,981	3.6%
Non-Departmental	27,256,215	51,237,307	52,977,892	28,425,290	40,622,539	(20.7%)
Municipal Utilities	116,186,975	360,677,425	321,418,862	161,177,418	254,364,047	(29.5%)
Police	74,117,422	84,219,979	84,770,911	72,653,622	85,717,408	1.8%
Transportation & Development	54,220,416	111,836,515	100,086,284	40,802,502	144,380,448	29.1%
<b>Subtotal</b>	<b>\$ 404,533,715</b>	<b>\$ 794,777,750</b>	<b>\$ 747,288,680</b>	<b>\$ 443,460,435</b>	<b>\$ 717,641,212</b>	<b>(9.7%)</b>
Fund Contingency - Operating*	\$ -	\$ 102,020,708	\$ 153,793,130	\$ -	\$ 129,838,357	27.3%
Fund Contingency - Capital*	-	6,139,170	1,412,930	-	18,087,874	194.6%
Debt Service	66,163,463	59,454,061	59,454,061	61,026,170	62,143,209	4.5%
Equipment Replacement	215,132	892,250	1,031,068	172,942	1,203,000	34.8%
Technology Replacement	2,866,358	2,492,043	2,675,247	2,675,246	2,261,395	(9.3%)
Vehicle Replacement	3,016,604	5,474,625	5,595,491	1,787,503	3,370,950	(38.4%)
<b>Grand Total</b>	<b>\$ 476,795,271</b>	<b>\$ 971,250,607</b>	<b>\$ 971,250,607</b>	<b>\$ 509,122,296</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>

<sup>(1)</sup> Effective July 1, 2017, all Buildings and Facilities, Human Resources, Workers Compensation Liabilities, Fleet Services, Information Technology, and ITOC cost centers are transferred from City Manager Department to the newly created Administrative Services Department.

\* Contingency funds and reserves are one-time appropriations comprised of various funds of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.

**Financial & Personnel Overview**

**Cost Center Budget Comparison**

	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Change Adopted to Adopted
<b>General Government</b>						
<b>Mayor and Council</b>	\$ 838,109	\$ 878,151	\$ 897,526	\$ 900,628	\$ 909,003	3.5%
<b>Communications and Public Affairs</b>						
Administration	\$ 884,757	\$ 1,158,244	\$ 1,230,749	\$ 1,231,199	\$ 1,309,846	13.1%
Video Production	560,048	475,866	642,267	643,153	487,628	2.5%
Print, Mail & Graphics	790,446	889,382	944,308	929,792	872,176	(1.9%)
<b>Total Communications and Public Affairs</b>	<b>\$ 2,235,251</b>	<b>\$ 2,523,492</b>	<b>\$ 2,817,324</b>	<b>\$ 2,804,144</b>	<b>\$ 2,669,650</b>	<b>5.8%</b>
<b>City Clerk</b>	<b>\$ 575,545</b>	<b>\$ 826,714</b>	<b>\$ 900,418</b>	<b>\$ 867,507</b>	<b>\$ 655,805</b>	<b>(20.7%)</b>
<b>City Manager Administration</b>	<b>\$ 1,019,090</b>	<b>\$ 1,217,750</b>	<b>\$ 1,086,863</b>	<b>\$ 874,046</b>	<b>\$ 1,078,984</b>	<b>(11.4%)</b>
<b>Organizational Support</b>						
Innovations <sup>(1)</sup>	\$ 1,540,798	\$ -	\$ -	\$ -	\$ -	N/A
Airport	957,608	1,058,218	1,074,932	1,076,544	1,073,327	1.4%
Airport Capital	1,223,229	8,848,127	8,194,095	553,028	6,341,607	(28.3%)
Buildings and Facilities <sup>(2)</sup>	7,050,403	7,253,743	7,512,926	7,484,783	-	(100.0%)
Buildings and Facilities Capital	2,077,207	4,224,564	3,972,834	1,837,874	-	(100.0%)
Cultural Affairs Administration <sup>(3)</sup>	448,690	524,789	-	-	-	(100.0%)
Center for the Arts	1,501,230	1,549,738	-	-	-	(100.0%)
Library	5,864,778	6,660,078	-	-	-	(100.0%)
Cultural Affairs Capital	103,338	1,445,139	-	-	-	(100.0%)
Museum	430,296	465,437	-	-	-	(100.0%)
Downtown Redevelopment <sup>(4)</sup>	-	-	-	-	423,598	N/A
Economic Development	841,144	907,480	931,997	916,974	832,815	(8.2%)
Downtown Redevelopment <sup>(4)</sup>	395,209	414,765	437,151	430,614	-	(100.0%)
Economic Development Capital	182,242	2,567,208	2,567,208	-	2,567,208	0.0%
Tourism	475,158	655,512	681,297	509,997	241,894	(63.1%)
Innovations <sup>(1)</sup>	-	1,606,930	1,669,449	1,610,123	285,930	(82.2%)
Human Resources <sup>(2)</sup>	3,043,103	3,409,489	3,743,137	3,336,002	-	(100.0%)
Workers Compensation Liability	1,801,919	2,479,500	2,479,500	2,000,000	-	(100.0%)
Fleet Services <sup>(2)/(5)</sup>	-	-	1,177,585	1,169,625	-	N/A
IT Service Delivery Mgmt & Admin <sup>(2)</sup>	1,802,366	1,844,478	1,941,606	1,822,060	-	(100.0%)
IT Applications & Support	3,490,841	3,946,198	4,394,113	4,352,164	-	(100.0%)
IT Infrastructure & Client Support	2,827,375	3,193,145	3,268,095	3,096,314	-	(100.0%)
ITOC Capital	1,120,128	2,804,748	2,486,272	213,765	-	(100.0%)
ITOC Operations	73,783	152,681	152,356	14,675	-	(100.0%)
IT Citywide Capital	444,378	2,331,162	2,209,159	943,362	-	(100.0%)
Neighborhood Resources <sup>(6)</sup>	-	-	569,218	455,101	483,508	N/A
Code Enforcement	-	-	1,520,864	1,489,359	1,187,798	N/A
Housing and Redevelopment	-	-	13,296,488	8,484,422	12,388,605	N/A
Community Development	-	-	5,091,844	4,449,405	3,873,326	N/A
Planning	1,649,270	1,694,415	1,713,851	1,681,096	1,755,699	3.6%
<b>Total Organizational Support</b>	<b>\$ 39,344,492</b>	<b>\$ 60,037,544</b>	<b>\$ 71,085,977</b>	<b>\$ 47,927,287</b>	<b>\$ 31,455,315</b>	<b>(47.6%)</b>
<b>City Magistrate</b>	<b>\$ 4,125,403</b>	<b>\$ 4,447,081</b>	<b>\$ 4,552,305</b>	<b>\$ 4,226,637</b>	<b>\$ 4,389,746</b>	<b>(1.3%)</b>
<b>Law</b>	<b>\$ 3,499,559</b>	<b>\$ 3,634,983</b>	<b>\$ 3,690,305</b>	<b>\$ 3,644,782</b>	<b>\$ 3,706,860</b>	<b>2.0%</b>
Liability Litigation	1,494,228	1,980,580	1,990,681	1,528,066	1,949,024	(1.6%)
Liability Litigation Claims	705,095	3,969,715	3,985,913	1,720,987	3,988,572	0.5%
<b>Total Law</b>	<b>\$ 5,698,882</b>	<b>\$ 9,585,278</b>	<b>\$ 9,666,899</b>	<b>\$ 6,893,835</b>	<b>\$ 9,644,456</b>	<b>0.6%</b>
<b>Total General Government</b>	<b>\$ 53,836,773</b>	<b>\$ 79,516,010</b>	<b>\$ 91,007,312</b>	<b>\$ 64,494,084</b>	<b>\$ 50,802,959</b>	<b>(36.1%)</b>

<sup>(1)</sup> Effective July 1, 2015, Innovations was established as a new cost center and separated from the Economic Development cost center, effective July 1, 2016, Innovations transferred to Economic Development from City Manager Department.

<sup>(2)</sup> Effective July 1, 2017, all Buildings and Facilities, Human Resources, Workers Compensation Liabilities, Fleet Services, and Information Technology cost centers are transferred from City Manager Department to the newly created Administrative Services Department.

<sup>(3)</sup> Effective July 2016, the Cultural Affairs Divisions transferred to the re-established Community Services Department.

<sup>(4)</sup> Effective July 1, 2017, the Downtown Redevelopment cost center transfers from the Economic Development Division to City Manager Department.

<sup>(5)</sup> During Fiscal Year (FY) 2016-17 Fleet Services transferred from Fire, Health & Medical Services to City Manager Department.

<sup>(6)</sup> Effective July 2016, the Community & Neighborhood Services Department is dismantled and the Neighborhood Resources Divisions are transferred to City Manager Department.

**Financial & Personnel Overview**

**Cost Center Budget Comparison (continued)**

	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Change Adopted to Adopted
<b>Administrative Services<sup>(1)</sup></b>						
Human Resources	\$ -	\$ -	\$ -	\$ -	3,450,869	N/A
Workers Compensation Liability	-	-	-	-	2,479,500	N/A
Fleet Services	-	-	-	-	1,182,062	N/A
Buildings and Facilities	-	-	-	-	7,409,470	N/A
Buildings and Facilities Capital	-	-	-	-	3,776,515	N/A
IT Service Delivery Mgmt & Admin	-	-	-	-	2,039,353	N/A
IT Applications & Support	-	-	-	-	4,079,285	N/A
IT Infrastructure & Client Support	-	-	-	-	3,078,607	N/A
ITOC Capital	-	-	-	-	2,697,797	N/A
ITOC Operations	-	-	-	-	199,681	N/A
IT Citywide Capital	-	-	-	-	3,295,157	N/A
<b>Total Administrative Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>33,688,296</b>	<b>N/A</b>
<b>Community Services<sup>(2)</sup></b>						
Cultural Affairs Administration	\$ -	\$ -	399,808	332,549	-	N/A
Community Services Administration	-	-	315,424	266,927	885,438	N/A
Center for the Arts	-	-	1,619,329	1,652,617	2,211,052	N/A
Library	-	-	6,988,053	6,530,054	6,592,333	N/A
Cultural Affairs Capital	-	-	1,083,727	98,709	7,160,018	N/A
Aquatics	3,582,805	4,081,765	4,193,159	4,035,666	4,091,571	0.2%
Parks Development and Operations	8,187,741	8,314,033	8,704,813	8,600,897	8,252,804	(0.7%)
Recreation	1,296,963	1,362,770	1,440,920	1,505,660	1,214,000	(10.9%)
Sports & Fitness Facilities	2,215,423	2,533,440	2,659,921	2,653,013	2,463,341	(2.8%)
Nature & Recreation Facilities	1,597,268	1,740,835	1,815,895	1,763,152	1,818,185	4.4%
Museum	-	-	476,678	466,532	463,676	N/A
Parks Capital	5,323,604	11,174,301	9,844,054	2,381,037	11,002,201	(1.5%)
Neighborhood Resources	818,972	678,869	-	-	-	(100.0%)
Code Enforcement	1,021,389	1,219,237	-	-	-	(100.0%)
Housing and Redevelopment	7,959,291	12,941,727	-	-	-	(100.0%)
Community Development	3,165,556	4,575,021	-	-	-	(100.0%)
<b>Total Community Services</b>	<b>\$ 35,169,010</b>	<b>\$ 48,621,998</b>	<b>\$ 39,541,781</b>	<b>\$ 30,286,813</b>	<b>\$ 46,154,619</b>	<b>(5.1%)</b>
<b>Fire, Health &amp; Medical</b>						
Administration	\$ 3,830,159	\$ 4,014,125	\$ 4,125,896	\$ 3,880,918	\$ 4,499,130	12.1%
Health & Medical Services	1,657,951	1,737,979	1,821,002	1,828,694	2,378,809	36.9%
Operations	24,737,323	24,608,742	25,630,512	25,854,000	27,874,508	13.3%
Prevention and Preparedness	2,016,260	3,854,972	3,891,844	1,955,743	1,339,285	(65.3%)
Fire Capital	1,842,486	13,930,023	12,094,049	3,371,111	16,066,238	15.3%
Support Services	1,009,671	948,970	1,104,658	1,140,139	1,001,945	5.6%
Fleet Services <sup>(3)</sup>	1,114,113	1,125,509	-	-	-	(100.0%)
<b>Total Fire, Health &amp; Medical</b>	<b>\$ 36,207,963</b>	<b>\$ 50,220,320</b>	<b>\$ 48,667,961</b>	<b>\$ 38,030,605</b>	<b>\$ 53,159,915</b>	<b>5.9%</b>

<sup>(1)</sup> Effective July 1, 2017, all Buildings and Facilities, Human Resources, Workers Compensation Liabilities, Fleet Services, Information Technology, and ITOC cost centers are transferred from the City Manager Department to the newly created Administrative Services Department.

<sup>(2)</sup> Effective July 1, 2015, the Community & Neighborhood Services Department is established with the transfer of the Community Services Administration, Aquatics, Parks Development & Operations, Recreation, Sports & Fitness Facilities, Nature & Recreation Facilities, and Parks Capital cost centers from the dismantled Community Services Department and the transfer of the Neighborhood Resources, Code Enforcement, Housing & Redevelopment, and Community Development cost centers from the former Neighborhood Resources Division. Effective July 2016, the Community Services Department is re-established with the transfer of the Cultural Affairs Divisions from the City Manager and the transfer of the Neighborhood Resources Divisions to the City Manager Department.

<sup>(3)</sup> During FY 2016-17 Fleet Services transferred from Fire, Health & Medical Services to the City Manager Department and effective July 1, 2017 Fleet Services is transferred to the new Administrative Services Department.



**Financial & Personnel Overview**

**Cost Center Budget Comparison (continued)**

	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Change Adopted to Adopted
<b>Management Services</b>						
Administration	\$ 575,654	\$ 580,696	\$ 651,702	\$ 644,445	\$ 596,264	2.7%
Budget	706,490	710,269	732,810	741,066	747,152	5.2%
Purchasing	664,095	686,912	698,393	697,883	693,556	1.0%
Central Supply	371,282	378,507	385,920	387,095	379,708	0.3%
Accounting	1,579,356	1,666,478	1,699,237	1,551,391	1,675,890	0.6%
Tax and License	1,845,825	2,124,883	2,178,823	1,925,640	2,103,429	(1.0%)
Utility Services	1,395,911	1,382,043	1,395,284	1,270,384	1,430,082	3.5%
Environmental Management	397,822	445,208	449,408	317,197	651,700	46.4%
Environmental Management Liabilities	2,507	473,200	626,100	55,000	473,200	0.0%
Non-Departmental Operating	25,806,524	37,133,807	34,612,139	26,270,635	39,370,539	6.0%
Non-Departmental Capital	1,449,691	14,103,500	18,365,753	2,154,655	1,252,000	(91.1%)
<b>Total Management Services</b>	<b>\$ 34,795,157</b>	<b>\$ 59,685,503</b>	<b>\$ 61,795,569</b>	<b>\$ 36,015,391</b>	<b>\$ 49,373,520</b>	<b>(17.3%)</b>
<b>Municipal Utilities<sup>(1)</sup></b>						
Municipal Utilities Administration	\$ 1,002,126	\$ 1,050,371	\$ 995,677	\$ 899,700	\$ 936,825	(10.8%)
Solid Waste Services	12,428,663	13,352,465	13,626,132	13,283,720	13,372,154	0.1%
Solid Waste Capital	190,421	886,386	748,856	319,960	778,896	(12.1%)
Water Distribution	4,767,158	5,147,013	5,676,464	5,395,548	5,192,106	0.9%
Water Capital	12,814,167	105,126,563	96,868,612	40,477,775	76,756,098	(27.0%)
Water Treatment Plant	3,904,204	5,696,677	6,475,063	5,659,859	5,805,236	1.9%
Environmental Resources	5,917,973	7,985,834	8,582,191	7,206,178	7,804,025	(2.3%)
Water Quality	1,561,246	1,694,932	1,622,940	1,428,402	1,707,592	0.7%
Water System Maintenance	5,510,801	6,347,912	7,130,394	6,876,069	6,545,757	3.1%
San Tan Vista Water Treatment Plant	981,084	1,282,519	1,320,569	1,300,000	1,282,519	0.0%
Meter Services	1,070,672	1,051,084	1,092,506	979,286	1,078,812	2.6%
Wastewater Collection	2,105,271	2,278,456	2,517,648	2,385,780	2,494,609	9.5%
Wastewater Capital	45,980,481	182,831,421	146,191,954	54,181,813	101,250,860	(44.6%)
Ocotillo Brine Reduction Facility	5,402,700	9,636,895	10,637,831	6,494,616	9,587,078	(0.5%)
Lone Butte Wastewater Treatment	938,770	1,408,793	1,460,132	1,002,942	1,408,436	(0.0%)
Wastewater Quality	477,161	622,723	1,015,375	868,476	733,249	17.7%
Airport Water Reclamation Facility	7,954,665	9,841,219	10,585,049	8,656,479	9,690,609	(1.5%)
Ocotillo Water Reclamation	3,179,410	4,436,162	4,871,469	3,760,815	7,939,186	79.0%
<b>Total Municipal Utilities</b>	<b>\$ 116,186,975</b>	<b>\$ 360,677,425</b>	<b>\$ 321,418,862</b>	<b>\$ 161,177,418</b>	<b>\$ 254,364,047</b>	<b>(29.5%)</b>

<sup>(1)</sup> Municipal Utilities Department includes funding for the utility expansions in which the City will pay for utility infrastructure costs and Intel will reimburse the City for these costs. Fiscal Year (FY) 2016-17 includes budget of \$2,534,358 (Wastewater Fund).

**Financial & Personnel Overview**

**Cost Center Budget Comparison (continued)**

	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Change Adopted to Adopted
<b>Police</b>						
Administration	\$ 4,017,239	\$ 3,843,284	\$ 3,868,943	\$ 3,321,688	\$ 3,228,786	(16.0%)
Professional Standards	1,049,135	1,074,663	1,092,487	1,104,843	1,116,963	3.9%
Property and Evidence	393,686	424,884	426,720	422,625	430,671	1.4%
Forensic Services	2,248,899	2,816,308	2,878,127	2,434,917	2,485,181	(11.8%)
Field Operations	34,161,527	32,226,467	32,834,684	33,770,721	35,311,803	9.6%
Criminal Investigations	14,326,489	13,977,042	14,199,200	14,140,536	14,085,502	0.8%
Planning and Research	1,070,821	1,122,894	1,143,299	1,152,740	1,013,899	(9.7%)
Communications	4,769,555	5,134,131	5,201,601	5,185,405	5,146,707	0.2%
Police Technology	1,590,645	1,888,573	1,915,453	1,780,161	1,976,260	4.6%
Records	1,708,799	1,793,814	1,802,599	1,801,790	1,779,032	(0.8%)
Detention Services	2,390,908	2,607,567	2,701,806	2,575,650	2,571,574	(1.4%)
Community Resources & Training	4,769,344	4,394,488	4,495,558	4,294,745	4,053,397	(7.8%)
Police Capital	1,620,376	12,915,864	12,210,434	667,801	12,517,633	(3.1%)
<b>Total Police</b>	<b>\$ 74,117,422</b>	<b>\$ 84,219,979</b>	<b>\$ 84,770,911</b>	<b>\$ 72,653,622</b>	<b>\$ 85,717,408</b>	<b>1.8%</b>
<b>Transportation &amp; Development</b>						
Administration	\$ 1,190,733	\$ 1,284,933	\$ 1,354,310	\$ 1,208,629	\$ 1,411,743	9.9%
Development Services	3,404,903	3,527,855	3,562,620	3,572,505	3,485,748	(1.2%)
Engineering	2,109,772	2,190,895	2,214,663	2,155,867	2,194,295	0.2%
Capital Project Management	1,621,563	2,041,136	2,064,553	1,874,230	2,030,737	(0.5%)
Streets	10,181,829	10,089,009	12,677,645	12,284,691	10,074,919	(0.1%)
Streets Capital	26,622,822	83,047,548	68,081,797	10,054,565	114,536,032	37.9%
Traffic Engineering	6,472,866	6,696,969	6,773,539	6,637,878	6,857,040	2.4%
Transit Services	1,135,678	1,655,651	1,974,053	1,707,979	2,764,017	66.9%
Street Sweeping	1,480,250	1,302,519	1,383,104	1,306,158	1,025,917	(21.2%)
<b>Total Transportation &amp; Development</b>	<b>\$ 54,220,416</b>	<b>\$ 111,836,515</b>	<b>\$ 100,086,284</b>	<b>\$ 40,802,502</b>	<b>\$ 144,380,448</b>	<b>29.1%</b>
<b>Subtotal</b>	<b>\$ 404,533,715</b>	<b>\$ 794,777,750</b>	<b>\$ 747,288,680</b>	<b>\$ 443,460,435</b>	<b>\$ 717,641,212</b>	<b>(9.7%)</b>
<b>Fund Contingency - Operating</b>	\$ -	\$ 102,020,708	153,793,130	-	129,838,357	27.3%
<b>Fund Contingency - Capital</b>	-	6,139,170	1,412,930	-	18,087,874	194.6%
<b>Debt Service</b>	66,163,463	59,454,061	59,454,061	61,026,170	62,143,209	4.5%
<b>Equipment Replacement</b>	215,132	892,250	1,031,068	172,942	1,203,000	34.8%
<b>Technology Replacement</b>	2,866,358	2,492,043	2,675,247	2,675,246	2,261,395	(9.3%)
<b>Vehicle Replacement</b>	3,016,604	5,474,625	5,595,491	1,787,503	3,370,950	(38.4%)
<b>Grand Total</b>	<b>\$ 476,795,271</b>	<b>\$ 971,250,607</b>	<b>\$ 971,250,607</b>	<b>\$ 509,122,296</b>	<b>\$ 934,545,997</b>	<b>(3.8%)</b>

## Fund Definitions and Structure

The City Council formally adopts an annual budget for the General, Special Revenue, Capital Projects, Enterprise, and Internal Service Funds. Debt Service payments are budgeted in General, Special Revenue, and Enterprise funds as appropriate.

The accounts for the City of Chandler are organized on the basis of funds or account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. In governmental accounting, fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance-related legal and contractual provisions. The revenue and expenditures within the fund can be monitored for the particular activity. Funds are classified as governmental, proprietary, or fiduciary; different fund types are also found within each classification as discussed below and on the following chart.

**Governmental Funds** – Governmental funds are used to account for the City's general governmental activities, and use the flow of current financial resources measurement and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, when they are measurable and available, and expenditures are recorded when the related fund liability is incurred.

**General Fund** – The General Fund is the primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund and are used to finance the services associated with local government. These revenues include taxes, licenses and permits, charges for services, interest earned on investments, fines, and miscellaneous revenue. Most City departments receive at least some support from the General Fund.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes. Funds in this category include Police Forfeiture, Regional Transportation Sales Tax, Highway User Revenue, Local Transportation Assistance, Operating Grants, Community Development Block Grant, Public Housing Grants, and Expendable Trust Funds.

**Police Forfeiture Fund** – Restricted for specific law enforcement purposes only, subject to laws, rules, regulations, and orders established at state and federal levels.

**Regional Transportation Sales Tax Fund** – Used for construction of new freeways, widening of existing freeways and highways, improvements to the arterial street system, regional bus service and other special transportation services, and high capacity transit services such as light rail, bus rapid transit, and express buses.

**Highway User Revenue Fund (HURF)** – Used to account for the receipt and expenditure of the City's allocation of state highway user taxes. State law restricts the use of these monies to maintenance, construction, and reconstruction of streets, and repayment of transportation-related debt.

**Local Transportation Assistance Fund (LTAF)** – Used to account for the receipt and expenditure of the City's allocation of state lottery monies. State law restricts the use of these monies to street and highway projects in the public right-of-way and to mass transportation purposes.

**Operating Grants** – Used to account for the receipt and expenditure of miscellaneous federal and state grants awarded to the City for various specific purposes.

**Community Development Block Grant (CDBG)** – Used for all federal Community Development Block Grant revenue and related expenditures, such as housing rehabilitation and downtown renovation.

**Public Housing Grants** – Used to account for expenditures of the City's public housing assistance programs, which consist of housing owned and operated by the City and rent subsidy payments to private sector owners of dwelling units. Financing for this fund is derived from tenants and the United States Department of Housing and Urban Development.

**Expendable Trust Funds** – These funds are accounted for and reported in the same manner as governmental funds for purposes designated by the donors or legal restrictions. Both the principal and earnings of these funds can be expended for the trusts' intended purposes.

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## Financial & Personnel Overview

**Capital Project Funds** – Capital project funds are designed to account for resources expended to acquire assets of a relatively permanent nature. These funds include bond proceeds, system development or impact fees, capital grants, general fund, and contributions for needed capital assets such as buildings, public works, and equipment (Special Revenue and Proprietary Funds are not included in this category).

**Proprietary Funds** – Proprietary funds are used to account for the City's organizations and activities which are similar to those often found in the private sector.

**Enterprise Funds** – Enterprise funds are governmental accounting funds in which the services provided are financed and operated similarly to those of a private business, where the costs of providing goods or services to the general public is financed through user fees. The City of Chandler has established enterprise funds for water service, reclaimed water service, wastewater service, wastewater industrial treatment, solid waste service, and the operation of the airport. All are considered to be self-sufficient and are required to stand on their own, except the Airport, which receives a General Fund subsidy.

**Water Fund** – Used to account for the provision of water services to the residents and businesses of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing, and collection. Revenues are generated through user fees.

**Reclaimed Water Fund** – Used to account for the provision of reclaimed water services to businesses, golf courses, and home owner associations of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing, billing, and collection. Revenues are generated through user fees.

**Wastewater Fund** – Used to account for the provision of wastewater services to the residents and businesses of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing, and related debt service, billing, and collection. The revenues to support these demands are generated through user fees.

**Wastewater Industrial Treatment Fund** – Used to account for the provision of wastewater industrial treatment services to Intel. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing, and related debt service, billing, and collection. The revenues to support these demands are generated through Intel expense reimbursement.

**Solid Waste Fund** – Used to account for the provision of solid waste (refuse) services to the residents and businesses of the City. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing, and collection. User fees are assessed to generate revenues adequate to cover these costs.

**Airport Fund** – Used to account for the provision of airport services to the residents and businesses of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing and collection. Revenues are generated through airport leasing and fuel sales.

**Internal Service Funds** – These funds are used to account for the financing of goods or services to departments of the City, on a cost reimbursement basis or calculated rate.

**Self-Insurance Funds** – These funds are established to account for the cost of property and public liability claims, uninsured environmental issues, workers compensation, dental, medical, and short term disability used by the City under self-insurance programs.

***Fiduciary Funds*** – These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Use of these funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other similar authority.

***Special Assessment Funds*** – Charge made by a local government for the cost of an improvement or service. It is usually levied on those who will benefit from the service.

***Permanent Fund (Pension)*** – This is a fund used to account for the accumulation of resources to be used for retirement annuity payments at the appropriate amounts and times in the future.

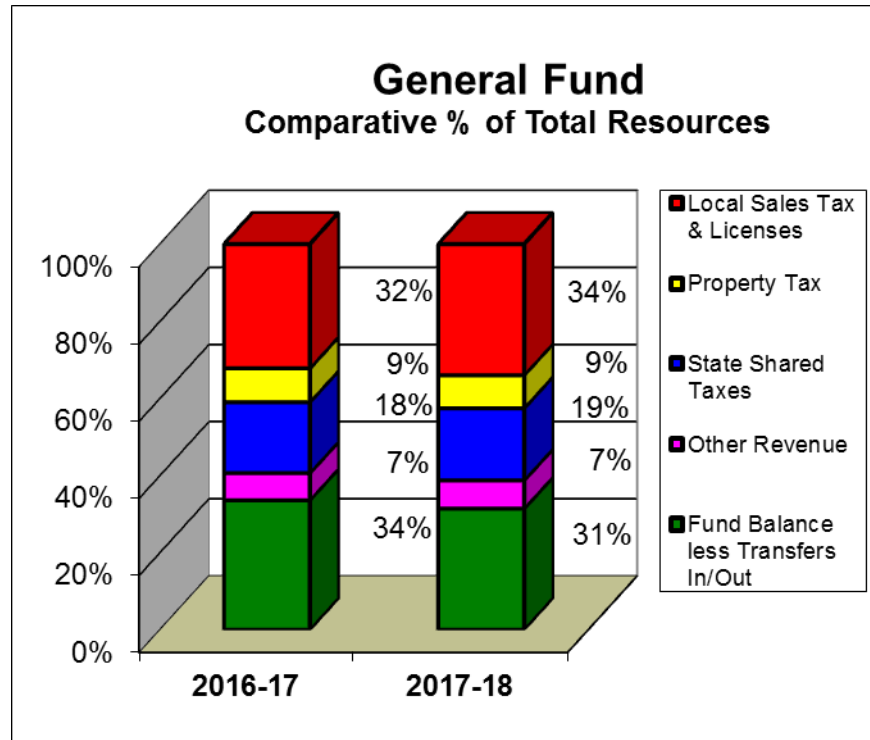


**Fund Structure Summary**

<div> <div>FY 2017-18 Total Budget \$934,545,997</div> </div>					
Governmental Funds			Proprietary Funds		Fiduciary Funds
General Operating Funds	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Special Assessment Funds
\$288,136,712	\$50,062,268	\$401,952,359	\$154,722,465	\$39,593,173	\$79,020
General \$261,704,224	Police Forfeiture \$2,490,002	General Gov't Capital Projects \$72,020,655	Water Operations \$54,719,190	Workers Compensation Self Insurance Trust \$4,068,704	Special Assessments \$79,020
General Obligation Debt Service \$26,432,488	Highway User Revenue \$19,998,943	Capital Replacement \$14,713,537	Reclaimed Water Operations \$1,828,570	Self-Insured Liability Self Insurance \$6,496,223	
	Local Transportation Assistance \$4,049,891	Capital Grants \$30,060,827	Wastewater Operations \$65,254,267	Uninsured Liability Self Insurance \$1,799,954	
	Operating Grants \$5,000,000	Municipal Arts \$208,700	WW Industrial Process Treatment Operations \$11,110,629	Short Term Disability Self Insurance \$551,942	
	Housing & Urban Development \$13,830,686	General Obligation Bonds \$62,385,870	Solid Waste Operations \$15,970,252	Dental Self Insurance \$2,410,000	
	Community Development Block Grant \$1,982,936	Enterprise Bonds \$55,689,209	Airport Operations \$1,839,557	Medical Self Insurance Trust \$24,266,350	
	Highway User Debt Service \$2,383,988	General Gov't Impact Fees \$47,768,384			
	Expendable Trust Funds \$325,822	System Development Fees \$119,092,984			
		In-House Capital \$12,193			

### General Fund Revenues

The General Fund revenue categories are presented in the chart and table below. The chart provides information on each category as a percent of the total General Fund revenues for Fiscal Year (FY) 2016-17 and FY 2017-18. The table provides information on percentage increase or decrease from the prior adopted budget. The General Fund revenue budget includes allocations in the General Fund, General Obligation Debt Service Fund, and the General Government Capital Projects Fund.



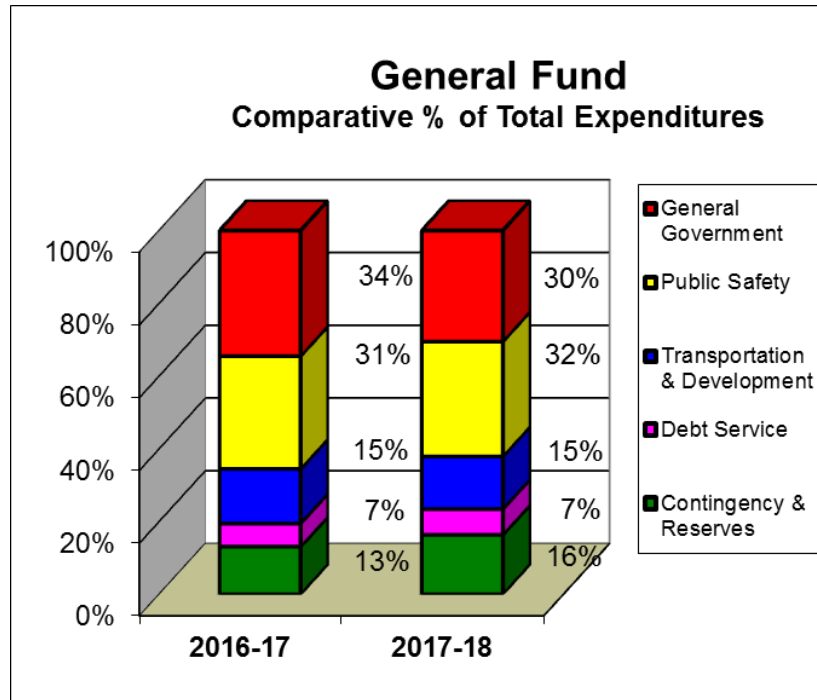
	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
Local Sales Tax & Licenses	\$ 110,015,000	\$ 122,542,000	11.4%
Property Tax <sup>(1)</sup>	29,976,020	30,749,600	2.6%
State Shared Taxes	62,907,000	67,533,000	7.4%
Other Revenues	23,940,157	26,302,750	9.9%
Fund Balance less Transfer In/Out	114,722,511	113,030,017	(1.5%)
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 341,560,688</b>	<b>\$ 360,157,367</b>	<b>5.4%</b>

<sup>(1)</sup> FY 2016-17 Property Tax adopted amount of \$29,976,020 includes Prior Year Property Tax (Primary and Secondary) of \$350,000. FY 2017-18 Property Tax adopted amount of \$30,749,600 includes Prior Year Property Tax (Primary and Secondary) of \$250,000.

<sup>(2)</sup> FY 2016-17 includes General Funds of \$247,212,614 GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,712,574; FY 2017-18 includes General Funds of \$261,904,224, GO Debt Service Funds of \$26,432,488, and General Government Capital Project Funds of \$72,020,655.

### General Fund Expenditures

The General Fund expenditure categories are presented in the chart and table below. The chart provides information on each category as a percent of the total General Fund expenditures for Fiscal Year (FY) 2016-17 and FY 2017-18. The table provides information on percentage increase or decrease from the prior adopted budget. The General Fund expenditure budget includes allocations in the General Fund, General Obligation Debt Service Fund, and the General Government Capital Projects Fund.



	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 117,903,993	\$ 109,956,273	(6.7%)
Public Safety	105,941,163	113,793,342	7.4%
Transportation & Development	51,306,862	52,139,890	1.6%
Debt Service	21,740,608	25,432,488	17.0%
Contingency & Reserves <sup>(1)</sup>	44,668,062	58,835,374	31.7%
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 341,560,688</b>	<b>\$ 360,157,367</b>	<b>5.4%</b>
Personnel & Benefits	\$ 160,758,972	\$ 172,232,053	7.1%
Operating & Maintenance	67,733,841	71,720,059	5.9%
Major Capital	68,399,813	57,369,881	(16.1%)
Contingency & Reserves <sup>(1)</sup>	44,668,062	58,835,374	31.7%
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 341,560,688</b>	<b>\$ 360,157,367</b>	<b>5.4%</b>

<sup>(1)</sup> Contingency funds and reserves are one-time appropriations comprised of various funds, of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.

<sup>(2)</sup> FY 2016-17 includes General Funds of \$247,212,614 GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,712,574; FY 2017-18 includes General Funds of \$261,704,224, GO Debt Service Funds of \$26,432,488, and General Government Capital Project Funds of \$72,020,655.

Financial & Personnel Overview

**General Fund Expenditure – by Function**

The adopted General Fund budget, divided between operating and capital, is shown below. The Fiscal Year (FY) 2017-18 budget reflects a 6.6% increase in the General Fund Operating budget, primarily due to a significant increase in Public Safety.

The FY 2017-18 General Fund Capital budget reflects a 1.2% increase, primarily due to combination of the decrease in new funding for the downtown parking garage project as compared to FY 2016-17 and a higher level of capital carryforward. The combined operating and capital General Fund change over the prior fiscal year is 5.4%.

**Operating Budget by Function**

	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 86,683,826	\$ 89,376,618	3.1%
Public Safety	101,280,001	109,062,128	7.7%
Transportation & Development	18,788,378	20,080,878	6.9%
<b>Total Department Operating</b>	<b>\$ 206,752,205</b>	<b>\$ 218,519,624</b>	<b>5.7%</b>
Debt Service	21,740,608	25,432,488	17.0%
Contingency & Reserves	38,528,892	40,747,500	5.8%
<b>Total Operating</b>	<b>\$ 267,021,705</b>	<b>\$ 284,699,612</b>	<b>6.6%</b>

**Capital Budget by Function**

	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 19,477,460	\$ 8,665,650	(55.5%)
Public Safety	2,497,012	1,953,300	(21.8%)
Transportation & Development	14,139,028	10,679,530	(24.5%)
<b>Total Major Capital</b>	<b>\$ 36,113,500</b>	<b>\$ 21,298,480</b>	<b>(41.0%)</b>
Capital Carryforward	36,875,483	50,609,275	37.2%
Contingency & Reserves	1,550,000	3,550,000	129.0%
<b>Total Major Capital Budget</b>	<b>\$ 74,538,983</b>	<b>\$ 75,457,755</b>	<b>1.2%</b>
<b>Grand Total<sup>(1)</sup></b>	<b>\$ 341,560,688</b>	<b>\$ 360,157,367</b>	<b>5.4%</b>

<sup>(1)</sup> FY 2016-17 includes General Funds of \$247,535,614, GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,389,574. FY 2017-18 includes General Funds of \$261,704,224, GO Debt Service Funds of \$25,432,488, and General Government Capital Project Funds of \$72,020,655.

**Financial & Personnel Overview**

**Special Revenue Funds Revenues and Expenditures**

Special Revenue Funds include Police Forfeiture Fund, Regional Transportation Sales Tax Fund, Highway User Revenue Fund (HURF), Highway User Revenue Debt Service Fund, Local Transportation Assistance Fund (LTAF), Operating Grant Fund, Home Investment Partnerships Program Grant (HOME), Community Development Block Grant (CDBG), Public Housing Authority Grants (PHA), Capital Fund Program, Proceeds Reinvestment Program, Museum Trust Fund, Parks and Recreation Trust Fund, and Library Trust Fund revenues. These revenues can only be used for specific purposes as dictated by Arizona State Statute. The Special Revenue Fund revenue and expenditure categories are presented in the tables below. The tables provide information on the percentage of increase or decrease from the prior fiscal year adopted budget.

**Revenues**

	<b>2016-17 Adopted Budget</b>	<b>2017-18 Adopted Budget</b>	<b>% Change Adopted to Adopted</b>
Police Forfeiture	\$ 2,315,000	\$ 1,165,000	(49.7%)
Regional Transportation Sales Tax	377,250	1,300,000	244.6%
Highway User Revenue	14,000,000	16,000,000	14.3%
Local Transportation Assistance	692,821	700,000	1.0%
Operating Grants	5,228,915	4,974,000	(4.9%)
HOME Program Grant	1,032,377	615,853	(40.3%)
Community Development Block Grant	2,002,824	1,379,886	(31.1%)
PHA Family Sites Grant	1,420,803	1,228,463	(13.5%)
PHA Elderly & Scattered Grant	1,050,403	888,049	(15.5%)
PHA Management Grant	500,930	409,256	(18.3%)
PHA Family Self Sufficiency Grant	142,872	121,732	(14.8%)
PHA Section 8 Vouchers Grant	5,414,934	5,546,947	2.4%
PHA Capital Program Grant	850,000	740,000	(12.9%)
Proceeds Reinvestment Grant	27,500	95,737	248.1%
PHA Grant Contingency	3,000,000	3,000,000	0.0%
Other Revenues	708,070	875,888	23.7%
Fund Balance less Transfers In/Out	12,753,370	11,021,457	(13.6%)
<b>Total Special Revenue Funds</b>	<b>\$ 51,518,069</b>	<b>\$ 50,062,268</b>	<b>(2.8%)</b>

**Expenditures**

	<b>2016-17 Adopted Budget</b>	<b>2017-18 Adopted Budget</b>	<b>% Change Adopted to Adopted</b>
General Government	\$ 17,117,987	\$ 15,007,120	(12.3%)
Municipal Utilities	100,000	-	(100.0%)
Non-Departmental	172,487	148,077	(14.2%)
Public Safety	7,810,847	2,450,326	(68.6%)
Transportation & Development	16,781,310	17,810,347	6.1%
Contingency & Reserves	6,864,000	12,262,410	78.6%
Debt Service	2,671,438	2,383,988	(10.8%)
<b>Total Special Revenue Funds</b>	<b>\$ 51,518,069</b>	<b>\$ 50,062,268</b>	<b>(2.8%)</b>
Personnel & Benefits	\$ 8,549,081	\$ 7,043,927	(17.6%)
Operating & Maintenance	27,577,831	21,490,120	(22.1%)
Contingency & Reserves	6,864,000	12,262,410	78.6%
Capital - Major	8,527,157	9,265,811	8.7%
<b>Total Special Revenue Funds</b>	<b>\$ 51,518,069</b>	<b>\$ 50,062,268</b>	<b>(2.8%)</b>



Financial & Personnel Overview

Enterprise Operational Funds Revenues and Expenses

Enterprise Operational Funds include the Water Operating Fund, Reclaimed Water Operating Fund, Wastewater Operating Fund, Wastewater Industrial Process Treatment, Solid Waste Operating Fund, and Airport Operating Fund. Enterprise funds are a type of fund in which the services provided are financed and operated similarly to a private business, where the costs of providing goods or services is financed through user fees and is self-sustaining in most cases. The Enterprise Operational Fund revenue and expense categories are presented in the table below. The table provides information on the percentage increase or decrease from the prior fiscal year adopted budget.

Revenues			
	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
Water Services	\$ 48,500,000	\$ 49,700,000	2.5%
Reclaimed Water Services	1,700,000	1,900,700	11.8%
Wastewater Services	40,500,000	43,200,000	6.7%
WW Industrial Process Treatment	12,488,672	11,565,926	(7.4%)
Solid Waste Services	14,603,586	15,300,763	4.8%
Airport Services	1,051,195	879,200	(16.4%)
Other Revenues <sup>(1)</sup>	6,037,774	4,590,003	(24.0%)
Fund Balance less Transfers In/Out	52,539,238	27,585,873	(47.5%)
<b>Total Enterprise Operational Funds</b>	<b>\$ 177,420,465</b>	<b>\$ 154,722,465</b>	<b>(12.8%)</b>

Expenses			
	2016-17 Adopted Budget	2017-18 Adopted Budget	% Change Adopted to Adopted
Water	\$ 62,250,141	\$ 54,719,190	(12.1%)
Reclaimed Water	1,700,000	1,828,570	7.6%
Wastewater <sup>(1)</sup>	83,328,005	69,254,267	(16.9%)
WW Industrial Process Treatment	12,062,418	11,110,629	(7.9%)
Solid Waste	16,010,309	15,970,252	(0.3%)
Airport	2,069,592	1,839,557	(11.1%)
<b>Total Enterprise Operational Funds</b>	<b>\$ 177,420,465</b>	<b>\$ 154,722,465</b>	<b>(12.8%)</b>
Personnel & Benefits	\$ 19,192,096	\$ 20,236,281	5.4%
Operating & Maintenance	87,401,746	91,475,054	4.7%
Contingency & Reserves	27,875,598	28,568,810	2.5%
Capital - Major	42,951,025	14,442,320	(66.4%)
<b>Total Enterprise Operational Funds</b>	<b>\$ 177,420,465</b>	<b>\$ 154,722,465</b>	<b>(12.8%)</b>

<sup>(1)</sup> Municipal Utilities includes funding for the Intel Plant Expansion in which the City will pay for the utility infrastructure costs and Intel will reimburse the City for these costs. FY 2016-17 includes \$2,534,358 in the Wastewater Fund.

Financial & Personnel Overview

Major Fund Summaries

The following tables provide summarized revenue and expenditure totals for the major funds.

General Fund (101)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expenditure	Budget
Property Tax	\$	7,323,000	Administrative Services	\$	19,958,287
Franchise Fee		3,334,000	City Clerk		655,805
Transaction Privilege Tax		117,796,000	City Magistrate		4,389,746
Other Licenses		1,412,000	City Mgr & Organizational Support		7,887,729
State Shared Revenues		67,533,000	CAPA		2,669,650
Charges for Services		16,271,400	Community Services		27,467,108
Miscellaneous Receipts		6,053,650	Fire, Health & Medical		37,093,677
Court Fines		3,137,700	Law		3,688,960
Fund Balance		106,837,924	Mayor & Council		909,003
<b>Subtotal Resources</b>	<b>\$</b>	<b>329,698,674</b>	Management Services		7,469,113
			Non-Departmental <sup>(2)</sup>		57,465,817
			Police		71,968,451
Net Transfers In/Out <sup>(1)</sup>		(67,994,450)	Transportation & Development		20,080,878
<b>Total Resources</b>	<b>\$</b>	<b>261,704,224</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>261,704,224</b>

General Fund Debt Service Fund (310)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expenditure	Budget
Property Tax	\$	23,426,600	Debt Services	\$	25,432,488
Miscellaneous Receipts		390,000	Non-Departmental <sup>(2)</sup>		1,000,000
Fund Balance		2,615,888			
<b>Total Resources</b>	<b>\$</b>	<b>26,432,488</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>26,432,488</b>

General Government Capital Projects Fund (401)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expenditure	Budget
Miscellaneous Receipts	\$	450,000	Administrative Services	\$	9,437,944
<b>Subtotal Resources</b>	<b>\$</b>	<b>450,000</b>	City Mgr & Organizational Support		2,567,208
			Community Services		7,322,503
Net Transfers In/Out <sup>(1)</sup>	\$	71,570,655	Fire, Health & Medical		1,946,581
			Non-Departmental <sup>(2)</sup>		15,902,774
			Police		2,784,633
			Transportation & Development		32,059,012
<b>Total Resources</b>	<b>\$</b>	<b>72,020,655</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>72,020,655</b>

Highway User Revenue Fund (HURF) (215)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expenditure	Budget
Highway User Tax	\$	16,000,000	Streets	\$	4,533,635
Interest Income		228,000	Streets Capital		6,942,348
Fund Balance		6,179,029	Traffic Engineering		4,330,673
<b>Subtotal Resources</b>	<b>\$</b>	<b>22,407,029</b>	Non-Departmental <sup>(2)</sup>		4,192,287
Net Transfers In/Out <sup>(1)</sup>		(2,408,086)			
<b>Total Resources</b>	<b>\$</b>	<b>19,998,943</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>19,998,943</b>

<sup>(1)</sup> Transfers in/out include indirect costs, potential loans, or loan paybacks; see Schedule D of the State Auditor General forms, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.

Financial & Personnel Overview

Major Fund Summaries (continued)

Highway User Revenue Debt Service Fund (320)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expenditure Budget	
Net Transfers In/Out <sup>(1)</sup>		2,383,988	Debt Services		2,383,988
<b>Total Resources</b>	<b>\$</b>	<b>2,383,988</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>2,383,988</b>

Local Transportation Assistance Fund (LTAF) (216)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expenditure Budget	
Lottery Entitlements	\$	700,000	Streets Capital	\$	1,104,461
Bus Shelter/Service		161,760	Transit Services		899,230
Interest Income		55,000	Non-Departmental <sup>(2)</sup>		2,046,200
Fund Balance		3,134,656			
<b>Subtotal Resources</b>	<b>\$</b>	<b>4,051,416</b>			
Net Transfers In/Out <sup>(1)</sup>		(1,525)			
<b>Total Resources</b>	<b>\$</b>	<b>4,049,891</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>4,049,891</b>

Grant Funds (217 thru 240)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expenditure Budget	
Operating Grants	\$	4,974,000	City Mgr & Organizational Support	\$	14,664,428
Home Program		615,853	Law		17,900
Community Dev Block Grant		1,379,886	Non-Departmental <sup>(2)</sup>		6,064,970
Public Housing Authority (PHA)		2,713,500	Police		66,324
Housing Authority Section 8		5,566,947			
Capital Fund Program		740,000			
Proceeds Reinvestment Projects		116,737			
PHA Grant Contingency		3,000,000			
Interest		99,000			
Fund Balance		1,322,699			
<b>Subtotal Resources</b>	<b>\$</b>	<b>20,528,622</b>			
Net Transfers In/Out <sup>(1)</sup>		285,000			
<b>Total Resources</b>	<b>\$</b>	<b>20,813,622</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>20,813,622</b>

Capital Grant Fund (417)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expenditure Budget	
Grants	\$	5,308,779	Administrative Services	\$	322,500
Fund Balance		24,752,048	City Mgr & Organizational Support		5,304,061
			Community Services		1,333,034
			Transportation & Development		23,101,232
<b>Total Resources</b>	<b>\$</b>	<b>30,060,827</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>30,060,827</b>

<sup>(1)</sup> Transfers in/out include indirect costs, potential loans, or loan paybacks; see Schedule D, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.

Financial & Personnel Overview

Major Fund Summaries (continued)

Water Operating (605)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expense Budget	
Water Sales	\$	49,700,000	Administration	\$	716,338
Meter Installation Fees		610,000	Water Distribution		5,192,106
Connect Fees		350,000	Water Capital		451,800
Other Charges		260,000	Water Treatment Plant		5,805,236
Miscellaneous Receipts		8,500	Environmental Resources		7,804,025
Interest		722,000	Water Quality		1,619,595
Fund Balance		6,521,492	Water Production Facility		6,545,757
<b>Subtotal Resources</b>	<b>\$</b>	<b>58,171,992</b>	San Tan Vista Water Facility		1,282,519
			Meter Services		1,078,812
Net Transfers In/Out <sup>(1)</sup>		(3,452,802)	ITOC Capital		6,405
			Non-Departmental <sup>(2)</sup>		8,788,900
			Debt Services		15,427,697
<b>Total Resources</b>	<b>\$</b>	<b>54,719,190</b>	<b>Total Expenses</b>	<b>\$</b>	<b>54,719,190</b>

Reclaimed Water Operating (612)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expense Budget	
Reclaimed Water Sales	\$	1,900,700	Water Quality	\$	87,997
Interest		8,000	Wastewater Quality		50,063
<b>Subtotal Resources</b>	<b>\$</b>	<b>1,908,700</b>	Airport WW Reclamation Plant		1,217,440
Net Transfers In/Out <sup>(1)</sup>		(80,130)	Non-Departmental <sup>(2)</sup>		473,070
<b>Total Resources</b>	<b>\$</b>	<b>1,828,570</b>	<b>Total Expenditures</b>	<b>\$</b>	<b>1,828,570</b>

Wastewater Operating (615)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expense Budget	
Sewer Sales	\$	43,200,000	Administration	\$	220,487
Service Charges		202,880	Wastewater Collection		2,494,609
Other Charges		800,000	Wastewater Capital		11,997,192
Miscellaneous Receipts		7,000	Wastewater Treatment		1,408,436
Interest		884,000	Wastewater Quality		683,186
Fund Balance		26,599,295	Airport WW Reclamation Plant		8,473,169
<b>Subtotal Resources</b>	<b>\$</b>	<b>71,693,175</b>	Ocotillo WW Reclamation Plant		7,939,186
			ITOC Capital		620
Net Transfers In/Out <sup>(1)</sup>		(2,438,908)	Non-Departmental <sup>(2)</sup>		17,165,159
			Debt Services		18,872,223
<b>Total Resources</b>	<b>\$</b>	<b>69,254,267</b>	<b>Total Expenses</b>	<b>\$</b>	<b>69,254,267</b>

Wastewater Industrial Process Treatment (616)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue Budget			Expense Budget	
Industrial Surcharge Fees	\$	11,565,926	Wastewater Capital	\$	500,000
<b>Subtotal Resources</b>	<b>\$</b>	<b>11,565,926</b>	Ocotillo Brine Reduction Facility		9,587,078
Net Transfers In/Out <sup>(1)</sup>		(455,297)	Non-Departmental <sup>(2)</sup>		1,023,551
<b>Total Resources</b>	<b>\$</b>	<b>11,110,629</b>	<b>Total Expenses</b>	<b>\$</b>	<b>11,110,629</b>

<sup>(1)</sup> Transfers in/out include indirect costs, potential loans, or loan paybacks; see Schedule D, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.

Financial & Personnel Overview

Major Fund Summaries (continued)

Solid Waste Operating (625)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expense	Budget
Refuse Charges	\$	14,566,100	Solid Waste Services	\$	13,372,154
Dumping Fees		128,400	Solid Waste Capital		778,896
Admin Charges		42,504	ITOC Capital		2,000
Other Revenues		1,049,782	Non-Departmental <sup>(2)</sup>		1,817,202
Interest		229,000			
Fund Balance		985,025			
<b>Subtotal Resources</b>	<b>\$</b>	<b>17,000,811</b>			
Net Transfers In/Out <sup>(1)</sup>		(1,030,559)			
<b>Total Resources</b>	<b>\$</b>	<b>15,970,252</b>	<b>Total Expenses</b>	<b>\$</b>	<b>15,970,252</b>

Airport Operating (635)

Category	FY 2017-18		Dept/Cost Center	FY 2017-18	
	Revenue	Budget		Expense	Budget
Tie Down Fees	\$	474,600	Airport Services	\$	1,073,327
Sale of Gas/Oil		160,800	Airport Capital		705,407
Airport Leases		250,100	Non-Departmental <sup>(2)</sup>		34,010
Other Revenues		16,300	Debt Services		26,813
<b>Subtotal Resources</b>	<b>\$</b>	<b>901,800</b>			
Net Transfers In/Out <sup>(1)</sup>		937,757			
<b>Total Resources</b>	<b>\$</b>	<b>1,839,557</b>	<b>Total Expenses</b>	<b>\$</b>	<b>1,839,557</b>

<sup>(1)</sup> Transfers in/out include indirect costs, potential loans, or loan paybacks; see Schedule D, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.



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Financial & Personnel Overview

Summary of Revenues, Expenditures, and Changes in Fund Balance

The Estimated Beginning Fund Balance line for the category of funds listed below represents the residual funds brought forward from the previous year. Estimated Beginning Fund Balance represents the net financial resources that are available for appropriation. Only a portion of this residual Fund Balance is typically appropriated each year to cover the delta between revenues and expenditures. The remaining portion remains in the Fund Balance, designated for future uses. Estimated Ending Fund Balances in the summary below are typically used as contingency the next year, which would remain unspent barring any emergencies. The following table shows a summary of revenues, expenditures, and estimated changes in fund balance for related fund types.

Summary (In Thousands)												
	General Funds <sup>(1)</sup>			Special Revenue Funds			Internal Service Funds			Capital Project Funds		
	2015-16 Actual	2016-17 Actual*	2017-18 Adopted	2015-16 Actual	2016-17 Actual*	2017-18 Adopted	2015-16 Actual	2016-17 Actual*	2017-18 Adopted	2015-16 Actual	2016-17 Actual*	2017-18 Adopted
<b>Budgeted Fund Balance</b>			\$109,454			\$ 12,065			\$ 8,142			\$150,882
Designated Reserve			\$ 80,408			\$ 15,362			\$ 35,135			\$ 28,320
<b>Estimated Beginning Fund Balance</b>	<b>\$181,411</b>	<b>\$178,870</b>	<b>\$189,862</b>	<b>\$ 21,693</b>	<b>\$ 21,988</b>	<b>\$ 27,428</b>	<b>\$ 39,900</b>	<b>\$ 42,801</b>	<b>\$ 43,277</b>	<b>\$178,212</b>	<b>\$233,716</b>	<b>\$179,202</b>
<b>Revenues:</b>												
Property Taxes	29,238	28,592	30,750	-	-	-	-	-	-	-	-	-
Local Taxes/Licenses	114,409	122,207	122,542	-	-	-	-	-	-	-	-	-
State-Shared Taxes	60,712	65,571	67,533	6,812	1,071	2,000	-	-	-	-	-	-
Charges for Service	17,852	16,576	16,271	-	-	-	-	-	-	-	-	-
Enterprise Sales	-	-	-	-	-	-	-	-	-	-	-	-
System Development Fees	-	-	-	-	-	-	-	-	-	41,684	35,609	38,003
Bond Revenue	-	-	-	-	-	-	-	-	-	70,000	-	126,226
Miscellaneous	8,564	8,732	9,581	2,284	2,704	1,718	28,457	27,596	30,470	5,313	5,465	6,956
Intergovernmental	-	-	-	27,524	29,505	35,107	-	-	-	10,837	10,195	5,309
Expendable Trust Fund	-	-	-	129	92	216	-	-	-	-	-	-
Interfund Transfers In/Out	(14,360)	4,712	(67,994)	(5,857)	(100)	(1,044)	982	982	981	26,371	1,413	74,577
<b>Total Revenues</b>	<b>\$216,416</b>	<b>\$246,390</b>	<b>\$178,683</b>	<b>\$ 30,892</b>	<b>\$ 33,272</b>	<b>\$ 37,997</b>	<b>\$ 29,439</b>	<b>\$ 28,578</b>	<b>\$ 31,451</b>	<b>\$154,206</b>	<b>\$ 52,682</b>	<b>\$251,071</b>
<b>Total Available Resources</b>	<b>\$397,827</b>	<b>\$425,260</b>	<b>\$288,137</b>	<b>\$ 52,585</b>	<b>\$ 55,259</b>	<b>\$ 50,062</b>	<b>\$ 69,338</b>	<b>\$ 71,379</b>	<b>\$ 39,593</b>	<b>\$332,417</b>	<b>\$286,398</b>	<b>\$401,952</b>
<b>Expenditures:</b>												
Administrative Services	-	-	19,958	-	-	-	-	-	3,961	-	-	9,830
City Manager	30,868	29,112	7,888	521	11,677	14,664	2,864	3,388	-	5,064	3,607	8,442
City Clerk	576	868	656	-	-	-	-	-	-	-	-	-
City Magistrate	4,125	4,197	4,390	-	30	-	-	-	-	-	-	-
Com. & Public Affairs	2,235	2,804	2,670	-	-	-	-	-	-	-	132	-
Com. & Neighborhood Services	19,933	-	-	9,912	-	-	-	-	-	5,774	-	-
Community Services	-	27,203	27,467	-	553	325	-	-	-	-	2,656	18,674
Fire, Health & Medical	34,007	34,508	37,094	358	151	-	-	-	-	2,059	3,466	16,401
Law	3,482	3,627	3,689	18	18	18	2,199	3,249	5,938	-	-	-
Management Services	6,996	7,108	7,469	-	-	-	478	414	1,213	-	-	30
Mayor & Council	838	901	909	-	-	-	-	-	-	-	-	-
Municipal Utilities	-	-	-	10	-	-	-	-	-	54,200	81,728	166,002
Non-Departmental	5,712	5,292	58,466	-	-	12,410	20,996	21,051	28,482	3,387	3,950	62,140
Police	70,093	70,179	71,968	2,819	1,835	2,450	-	-	-	2,258	1,379	13,408
Transportation & Development	18,384	19,990	20,081	13,213	10,895	17,810	-	-	-	23,440	10,278	107,026
Debt Service	21,707	29,609	25,432	3,746	2,671	2,384	-	-	-	2,518	-	-
<b>Total Expenditures</b>	<b>\$218,956</b>	<b>\$235,398</b>	<b>\$288,137</b>	<b>\$ 30,598</b>	<b>\$ 27,832</b>	<b>\$ 50,062</b>	<b>\$ 26,537</b>	<b>\$ 28,101</b>	<b>\$ 39,593</b>	<b>\$ 98,701</b>	<b>\$107,196</b>	<b>\$401,952</b>
<b>Estimated Ending Fund Balance</b>	<b>\$178,870</b>	<b>\$189,862</b>	<b>\$ 80,408</b>	<b>\$ 21,988</b>	<b>\$ 27,428</b>	<b>\$ 15,362</b>	<b>\$ 42,801</b>	<b>\$ 43,277</b>	<b>\$ 35,135</b>	<b>\$233,716</b>	<b>\$179,202</b>	<b>\$ 28,320</b>
<b>% Change Actual to Estimated</b>			<b>-58%</b>			<b>-44%</b>			<b>-19%</b>			<b>-84%</b>

\*16-17 Actual reflects estimated year-end (unaudited).

<sup>(1)</sup> In this presentation the General Fund category includes General Fund 101 and General Obligation Debt Service Fund 310; General Government Capital Projects Fund 401 is included in the Capital Projects category.

**Summary of Revenues, Expenditures, and Changes in Fund Balance (continued)**

Summary (In Thousands)									
	Enterprise Funds			Permanent/Special Funds			Grand Total		
	2015-16 Actual	2016-17 Actual*	2017-18 Adopted	2015-16 Actual	2016-17 Actual*	2017-18 Adopted	2015-16 Actual	2016-17 Actual*	2017-18 Adopted
<b>Budgeted Fund Balance</b>			<b>\$ 34,106</b>			<b>\$ 12</b>			<b>\$ 314,661</b>
Designated Reserve			\$ 71,232			\$ 4,476			\$ 234,934
<b>Estimated Beginning Fund Balance</b>	<b>\$ 86,073</b>	<b>\$ 106,704</b>	<b>\$ 105,337</b>	<b>\$ 4,559</b>	<b>\$ 4,529</b>	<b>\$ 4,488</b>	<b>\$ 511,847</b>	<b>\$ 588,608</b>	<b>\$ 549,595</b>
<b>Revenues:</b>									
Property Taxes	-	-	-	-	-	-	29,238	28,592	30,750
Local Taxes/Licenses	10	11	11	-	-	-	114,419	122,218	122,553
State-Shared Taxes	-	-	-	-	-	-	67,524	66,641	69,533
Charges for Service	2,792	2,010	2,617	-	-	-	20,644	18,586	18,889
Enterprise Sales	114,827	110,606	122,605	-	-	-	114,827	110,606	122,605
System Development Fees	-	-	-	-	-	-	41,684	35,609	38,003
Bond Revenue	-	-	-	-	-	-	70,000	-	126,226
Miscellaneous	12,060	3,514	1,904	36	46	67	56,713	48,056	50,696
Intergovernmental	-	-	-	-	-	-	38,362	39,700	40,416
Expendable Trust Fund	-	-	-	-	-	-	129	92	216
Interfund Transfers In/Out	(7,120)	(6,979)	(6,520)	-	(19)	-	16	7	-
<b>Total Revenues</b>	<b>\$ 122,569</b>	<b>\$ 109,161</b>	<b>\$ 120,617</b>	<b>\$ 36</b>	<b>\$ 27</b>	<b>\$ 67</b>	<b>\$ 553,557</b>	<b>\$ 470,109</b>	<b>\$ 619,885</b>
<b>Total Available Resources</b>	<b>\$ 208,642</b>	<b>\$ 215,865</b>	<b>\$ 154,722</b>	<b>\$ 4,594</b>	<b>\$ 4,556</b>	<b>\$ 79</b>	<b>\$ 1,065,404</b>	<b>\$ 1,058,717</b>	<b>\$ 934,546</b>
<b>Expenditures:</b>									
Administrative Services	-	-	9	-	-	-	-	-	33,758
City Manager	1,164	1,203	1,779	-	-	-	40,481	48,987	32,773
City Clerk	-	-	-	-	-	-	576	868	656
City Magistrate	-	-	-	-	-	-	4,125	4,227	4,390
Com. & Public Affairs	-	-	-	-	-	-	2,235	2,936	2,670
Com. & Neighborhood Services	-	-	-	-	-	-	35,620	-	-
Community Services	-	-	-	-	-	-	-	30,413	46,466
Fire, Health & Medical	-	-	-	-	-	-	36,425	38,126	53,494
Law	-	-	-	-	-	-	5,699	6,894	9,644
Management Services	-	-	-	65	68	69	7,539	7,590	8,780
Mayor & Council	-	-	-	-	-	-	838	901	909
Municipal Utilities	62,554	79,771	89,306	-	-	-	116,764	161,499	255,308
Non-Departmental	27	808	29,302	-	-	10	32,942	31,101	190,810
Police	-	-	-	-	-	-	75,170	73,393	87,826
Transportation & Development	-	-	-	-	-	-	55,038	41,163	144,918
Debt Service	38,193	28,745	34,327	-	-	-	66,163	61,026	62,143
<b>Total Expenditures</b>	<b>\$ 101,938</b>	<b>\$ 110,527</b>	<b>\$ 154,722</b>	<b>\$ 65</b>	<b>\$ 68</b>	<b>\$ 79</b>	<b>\$ 476,795</b>	<b>\$ 509,122</b>	<b>\$ 934,546</b>
<b>Estimated Ending Fund Balance</b>	<b>\$ 106,704</b>	<b>\$ 105,337</b>	<b>\$ 71,232</b>	<b>\$ 4,529</b>	<b>\$ 4,488</b>	<b>\$ 4,476</b>	<b>\$ 588,608</b>	<b>\$ 549,595</b>	<b>\$ 234,934</b>
<b>% Change Actual to Estimated</b>			<b>-32%</b>			<b>0%</b>			<b>-57%</b>

\*16-17 Actual reflects estimated year-end (unaudited).

## Fund Balance Analysis

The following fund balance analysis is provided for the various categories of funds shown on the previous table (Summary of Revenues, Expenditures, and Changes in Fund Balance), with additional explanation for categories anticipated to decrease by more than 10%.

The City of Chandler budget includes both appropriated and unappropriated fund balance (designated reserves). The appropriated fund balance represents the net difference between current resources and total appropriated expenditures. In the budget process, unreserved fund balances represent the net financial resources that are expendable or available for appropriation. Fund balances are used for one-time (non-operational) expenditures since they are non-recurring revenue or they are appropriated as contingency. Per City financial policy, depending on the fund and type of reserve created, contingency reserves can only be used for items such as emergency situations, unexpected one-time opportunities, appropriation transfers to allow spending in other funds, or unanticipated events threatening the public health, safety, or welfare of its citizens. Fund balance protects the City's fiscal health by assuring sufficient funds are available to meet potential financial challenges in the future. According to the City Charter and the Expenditure Limitation under the Home Rule Option, total expenditures cannot exceed the amount of the adopted budget. As such, any planned use of fund balance is appropriated through the budget process.

**General Fund Balance** – For this presentation, the General Fund category includes General Fund and General Obligation Debt Service Fund; General Government Capital Projects Fund is included in the Capital Projects Fund Balance category. Most of the City's governmental activities are financed from the General Fund. Expenditures for public purposes may be made from cash held in the General Fund with freedom from the restrictions imposed on other funds. The Fiscal Year (FY) 2017-18 Budget anticipates the use of \$109 million of fund balance to supplement revenue collections to fund estimated expenditures, which results in a 58% decrease in fund balance. These funds are being applied toward one-time expenditures, including transfers to the General Government Capital Projects Fund. The projected decrease includes a \$34.5 million Contingency Reserve adopted by Council, however, this contingency is minimally used. The projection assumes this contingency is used, and all other General Fund appropriation is 100% spent. A revised ending fund balance, assuming the contingency is not spent, would be an approximate 39% decrease or a fund balance of \$114.9 million.

**Special Revenue Fund Balance** – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This category includes the Police Forfeiture Fund, Regional Transportation Sales Tax Fund, Highway User Revenue Fund (HURF), Local Transportation Assistance Fund (LTAF), Grants, including Community Development Block Grant (CDBG) and Housing and Urban Development (HUD), as well as the Museum Trust Fund, Parks and Recreation Trust Fund, and the Library Trust Fund. This fund category reflects a \$12 million (44%) decrease in fund balance for FY 2017-18. About \$9.3 million of the drawdown is due to use of accumulated fund balance to support two state-shared revenues, HURF and LTAF capital projects.

**Internal Service Fund Balance** – These self-insurance funds are established to account for any activity that provides goods or services to other funds or to departments. In Chandler, this category includes Workers' Compensation Trust Fund, Insured Liability Self-Insurance Fund, Uninsured Liability Fund, Dental Self-Insurance Fund, Medical Self-Insurance Trust Fund, and Short-Term Disability Fund. Annual actuary analysis provides recommended fund balance levels based on claim activity. The Internal Service funds category is expected to decrease by approximately \$8.1 million (19%) in FY 2017-18. Some of these funds include appropriation for liabilities that reflect a "worst case" scenario and are typically not expended; therefore the budgeted decrease in fund balance is not a major concern.

**Capital Project Fund Balance** – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Special Revenue and Enterprise Funds). The financial resources of capital project funds come from several different sources, including bond proceeds, impact fees, system development fees, grants, general fund, or contributions from operating funds. The Capital Project fund balance for FY 2017-18 shows that almost \$150.8 million is needed to supplement the revenue collected to fund one-time Capital Project expenditures for projects in process or new capital projects. The Capital Project fund balance includes a combination of the sources listed above for projects carried forward from prior years. Much of this decrease in fund balance is due to the use of bond proceeds from prior year bond

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sales and system development/impact fees collected in prior years. Capital projects are typically not completed in one year, resulting in a significant amount of appropriation that is reappropriated in the next budget year, therefore the budgeted 84% decrease in fund balance is a planned drawdown.

**Enterprise Fund Balance** – Enterprise funds are established to account for the operations of enterprises, which provide goods or services to the public, and which are financed and operated in a manner similar to private business enterprises. Enterprise fund balance includes the Water, Reclaimed Water, Wastewater, Wastewater Industrial Treatment, Solid Waste, and Airport Funds. The Enterprise Adopted Budget for FY 2017-18 shows that approximately \$34.1 million of the fund balance is needed to supplement the revenue collection to offset estimated expenses, including debt service and one-time capital. This results in a budgeted 32% decrease in fund balance over FY 2016-17. The \$32.1 million decrease in Enterprise fund balance is attributed the water and wastewater system budgets that reflect 100% spending of operating and capital, and high contingency reserve amounts. Historically, spending is much less than 100% and contingency amounts are minimally used. The decrease in fund balance is a planned drawdown.

**Permanent/Special Assessment Fund Balance** – These funds include special assessment levies placed against assessment districts for capital projects that benefit properties in those districts. These fund balances help support the administrative expenditures anticipated for FY 2017-18. The anticipated change in fund balance is less than 1%.



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Personnel Summary by Department and Cost Center

This table provides information on the number of full time equivalent (FTE) staff over four budget periods and changes to the authorized number of positions by cost center for Fiscal Year (FY) 2017-18. The table captures all current year transfers, position additions and deletions, and positions added through the Decision Package process. Explanations of these changes are detailed at the cost center level in the respective department sections of this document.

Number of Personnel Full Time Equivalent

	2014-15 Revised	2015-16 Revised	2016-17 Adopted	2016-17 Revised	New Requests/ Reductions	Transfers as of 7/1/2017	2017-18 Adopted
<b>General Government</b>							
<b>Mayor and Council</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4.000</b>
<b>Communications and Public Affairs</b>							
Communications and Public Affairs	6.000	7.000	7.000	7.000	0.000	0.000	<b>7.000</b>
Video Production	2.000	2.000	2.000	2.000	0.000	0.000	<b>2.000</b>
Print, Mail & Graphics	6.000	6.000	6.000	6.000	0.000	0.000	<b>6.000</b>
	<b>14.000</b>	<b>15.000</b>	<b>15.000</b>	<b>15.000</b>	<b>0.000</b>	<b>0.000</b>	<b>15.000</b>
<b>City Clerk</b>	<b>6.000</b>	<b>6.000</b>	<b>6.000</b>	<b>6.000</b>	<b>0.000</b>	<b>0.000</b>	<b>6.000</b>
<b>City Manager Administration</b>	<b>6.000</b>	<b>6.000</b>	<b>6.000</b>	<b>5.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>
<b>Organizational Support</b>							
Airport	6.000	6.000	6.000	6.000	0.000	0.000	<b>6.000</b>
Buildings & Facilities <sup>(1)</sup>	42.000	43.000	43.000	44.000	0.000	(44.000)	<b>0.000</b>
Center for the Arts <sup>(2)</sup>	0.000	13.000	13.000	0.000	0.000	0.000	<b>0.000</b>
Code Enforcement <sup>(3)</sup>	11.500	0.000	0.000	12.500	0.000	0.000	<b>12.500</b>
Community Development <sup>(3)</sup>	6.100	0.000	0.000	7.500	1.000	0.000	<b>8.500</b>
Cultural Affairs Administration <sup>(2)</sup>	0.000	4.000	4.000	0.000	0.000	0.000	<b>0.000</b>
Downtown Redevelopment	2.000	2.000	2.000	2.000	0.000	0.000	<b>2.000</b>
Economic Development	6.000	6.000	6.000	5.000	0.000	0.000	<b>5.000</b>
Fleet Services <sup>(1)</sup>	0.000	0.000	0.000	12.000	0.000	(12.000)	<b>0.000</b>
Housing and Redevelopment <sup>(3)</sup>	22.750	0.000	0.000	23.500	0.000	0.000	<b>23.500</b>
Human Resources <sup>(1)</sup>	20.000	23.000	23.000	23.000	0.000	(23.000)	<b>0.000</b>
IT Service Delivery Mgmt & Admin. <sup>(1)</sup>	14.000	13.000	13.000	13.000	0.000	(13.000)	<b>0.000</b>
IT Applications Support <sup>(1)</sup>	18.000	20.000	20.000	21.000	0.000	(21.000)	<b>0.000</b>
IT Infrastructure & Client Support <sup>(1)</sup>	20.000	20.000	22.000	21.000	0.000	(21.000)	<b>0.000</b>
Library <sup>(2)</sup>	0.000	60.300	61.800	0.000	0.000	0.000	<b>0.000</b>
Museum <sup>(2)</sup>	0.000	3.750	3.750	0.000	0.000	0.000	<b>0.000</b>
Neighborhood Resources <sup>(3)</sup>	5.150	0.000	0.000	4.000	0.000	0.000	<b>4.000</b>
Planning <sup>(4)</sup>	0.000	14.000	14.000	14.000	1.000	0.000	<b>15.000</b>
Tourism	1.000	1.000	1.000	1.000	0.000	0.000	<b>1.000</b>
	<b>174.500</b>	<b>229.050</b>	<b>232.550</b>	<b>209.500</b>	<b>2.000</b>	<b>(134.000)</b>	<b>77.500</b>
<b>City Magistrate</b>	<b>41.000</b>	<b>41.000</b>	<b>41.000</b>	<b>41.000</b>	<b>0.000</b>	<b>0.000</b>	<b>41.000</b>
<b>Law</b>							
Law	28.000	27.000	27.000	27.000	1.000	0.000	<b>28.000</b>
Liability Litigation	4.000	4.000	4.000	4.000	0.000	0.000	<b>4.000</b>
	<b>32.000</b>	<b>31.000</b>	<b>31.000</b>	<b>31.000</b>	<b>1.000</b>	<b>0.000</b>	<b>32.000</b>
<b>Subtotal - General Government</b>	<b>277.500</b>	<b>332.050</b>	<b>335.550</b>	<b>311.500</b>	<b>3.000</b>	<b>(134.000)</b>	<b>180.500</b>

<sup>(1)</sup> Effective July 1, 2017, the Buildings & Facilities, Fleet Services, Human Resources, IT Service Delivery Management & Administration, IT Applications Support, and IT Infrastructure & Client Support cost centers are combined to create the Administrative Services Department.

<sup>(2)</sup> Effective July 1, 2015, the Center for the Arts, Library, and Museum cost centers are moved from the Community Services Department and combined with the newly established Cultural Affairs Administration cost center to create the Cultural Affairs Division. During Fiscal Year (FY) 2016-17, these same cost centers are returned to the Community Services Department.

<sup>(3)</sup> Effective July 1, 2015, the Neighborhood Resources, Code Enforcement, Housing and Redevelopment, and Community Development cost centers are combined with multiple cost centers from Community Services to create the Community & Neighborhood Services Department. During FY 2016-17, these same cost centers are returned as the Neighborhood Resources Division to Organizational Support, as part of the City Manager Department.

<sup>(4)</sup> Effective July 1, 2015, the Planning Division is transferred from the Transportation & Development Department to Organizational Support, as part of the City Manager Department.

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Number of Personnel Full Time Equivalent (continued)

	2014-15 Revised	2015-16 Revised	2016-17 Adopted	2016-17 Revised	New Requests/ Reductions	Transfers as of 7/1/2017	2017-18 Adopted
<b>Administrative Services<sup>(1)</sup></b>							
Human Resources	0.000	0.000	0.000	0.000	0.000	23.000	23.000
Fleet Services	0.000	0.000	0.000	0.000	0.000	12.000	12.000
Buildings & Facilities	0.000	0.000	0.000	0.000	0.000	44.000	44.000
IT Service Delivery Mgmt & Admin.	0.000	0.000	0.000	0.000	0.000	14.000	14.000
IT Applications Support	0.000	0.000	0.000	0.000	1.000	21.000	22.000
IT Infrastructure & Client Support	0.000	0.000	0.000	0.000	0.000	20.000	20.000
	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.000</b>	<b>134.000</b>	<b>135.000</b>
<b>Community Services<sup>(2)</sup></b>							
Administration <sup>(3)</sup>	3.000	0.000	0.000	2.000	0.000	4.000	6.000
Neighborhood Resources	0.000	6.800	5.000	0.000	0.000	0.000	0.000
Code Enforcement	0.000	12.500	12.500	0.000	0.000	0.000	0.000
Cultural Affairs Administration <sup>(2)</sup>	0.000	0.000	0.000	3.000	0.000	(3.000)	0.000
Center for the Arts <sup>(3)</sup>	13.000	0.000	0.000	13.000	0.750	0.000	13.750
Library <sup>(3)</sup>	62.550	0.000	0.000	62.800	0.000	1.000	63.800
Aquatics	15.750	15.750	16.750	16.750	0.000	0.000	16.750
Park Development and Operations	53.000	54.000	54.000	54.000	0.000	(2.000)	52.000
Recreation	8.375	8.375	8.375	8.375	0.000	0.000	8.375
Sports and Fitness Facilities	17.125	17.125	17.375	17.375	0.000	0.000	17.375
Nature and Recreation Facilities	13.875	13.875	13.875	13.875	0.000	0.000	13.875
Museum <sup>(3)</sup>	4.750	0.000	0.000	3.750	0.000	0.000	3.750
Housing and Redevelopment	0.000	23.500	23.500	0.000	0.000	0.000	0.000
Community Development	0.000	5.700	7.500	0.000	0.000	0.000	0.000
	<b>191.425</b>	<b>157.625</b>	<b>158.875</b>	<b>194.925</b>	<b>0.750</b>	<b>0.000</b>	<b>195.675</b>
<b>Fire, Health &amp; Medical</b>							
Administration	6.000	6.000	6.000	9.000	0.000	0.000	9.000
Health and Medical Services	10.000	10.000	10.000	10.000	0.000	0.000	10.000
Operations	189.000	189.000	189.000	190.000	12.000	0.000	202.000
Prevention and Preparedness	13.000	13.000	13.000	9.000	0.000	0.000	9.000
Support Services	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Fleet Services <sup>(1)</sup>	12.000	12.000	12.000	0.000	0.000	0.000	0.000
	<b>234.000</b>	<b>234.000</b>	<b>234.000</b>	<b>222.000</b>	<b>12.000</b>	<b>0.000</b>	<b>234.000</b>
<b>Management Services</b>							
Administration	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Budget	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Purchasing	6.900	6.900	6.900	6.900	0.000	0.000	6.900
Central Supply	5.100	5.100	5.100	5.100	0.000	0.000	5.100
Accounting	17.000	17.000	17.000	17.000	0.000	0.000	17.000
Tax and License	21.000	20.500	20.500	20.500	0.000	0.000	20.500
Utility Services	11.000	10.500	10.500	10.500	0.000	0.000	10.500
Environmental Management	3.500	3.000	3.000	3.000	0.000	0.000	3.000
	<b>74.500</b>	<b>73.000</b>	<b>73.000</b>	<b>73.000</b>	<b>0.000</b>	<b>0.000</b>	<b>73.000</b>

<sup>(1)</sup> Effective July 1, 2017, the Buildings & Facilities, Fleet Services, Human Resources, IT Service Delivery Management & Administration, IT Applications Support, and IT Infrastructure & Client Support cost centers are combined to create the Administrative Services Department.

<sup>(2)</sup> Beginning July 1, 2015, cost centers from the Neighborhood Resources Division are combined with multiple cost centers from Community Services to create the Community & Neighborhood Services Department. During Fiscal Year 2016-17, the Neighborhood Resources Division returned to the City Manager's Department, and this department reverts back to the Community Services Department.

<sup>(3)</sup> Effective July 1, 2015, the Center for the Arts, Library, and Museum cost centers are moved from the Community Services Department and combined with the newly established Cultural Affairs Administration cost center to create the Cultural Affairs Division. During Fiscal Year (FY) 2016-17, these same cost centers are returned to the Community Services Department and the Administration cost center was reestablished.

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Number of Personnel Full Time Equivalent (continued)

	2014-15 Revised	2015-16 Revised	2016-17 Adopted	2016-17 Revised	New Requests/ Reductions	Transfers as of 7/1/2017	2017-18 Adopted
<b>Municipal Utilities</b>							
Administration	8.000	8.000	8.000	7.000	0.000	0.000	7.000
Solid Waste Services	22.000	22.000	22.000	22.000	0.000	0.000	22.000
Water Distribution	28.000	28.000	28.000	28.000	0.000	0.000	28.000
Water Treatment Plant	13.000	13.000	13.000	13.500	0.000	0.000	13.500
Environmental Resources	9.000	9.000	9.000	8.000	0.000	0.000	8.000
Water Quality	12.000	12.000	12.000	12.000	0.000	0.000	12.000
Water Systems Maintenance	20.000	20.000	20.000	21.500	0.000	0.000	21.500
Meter Services	11.000	11.000	11.000	11.000	0.000	0.000	11.000
Wastewater Collection	10.000	10.000	10.000	10.000	0.000	0.000	10.000
Ocotillo Brine Reduction Facility	15.000	17.000	17.000	17.000	0.000	0.000	17.000
Lone Butte Wastewater Treatment	1.000	1.000	1.000	1.000	0.000	0.000	1.000
Wastewater Quality	4.000	4.000	4.000	5.000	0.000	0.000	5.000
Airport Water Reclamation Facility	26.000	26.000	26.000	25.000	0.000	(1.000)	24.000
Ocotillo Water Reclamation Facility	12.000	12.000	16.000	16.000	9.000	1.000	26.000
	<b>191.000</b>	<b>193.000</b>	<b>197.000</b>	<b>197.000</b>	<b>9.000</b>	<b>0.000</b>	<b>206.000</b>
<b>Police</b>							
Administration	10.000	10.000	10.000	10.000	0.000	0.000	10.000
Professional Standards	8.000	8.000	8.000	8.000	0.000	0.000	8.000
Property and Evidence	5.000	5.000	5.000	5.000	0.000	0.000	5.000
Forensic Services	21.000	21.000	21.000	21.000	0.000	0.000	21.000
Field Operations	218.000	218.000	222.000	225.000	6.000	0.000	231.000
Criminal Investigations	92.000	94.000	94.000	94.000	0.000	0.000	94.000
Planning and Research	9.000	9.000	9.000	9.000	0.000	0.000	9.000
Communications	46.000	46.000	46.000	46.000	0.000	0.000	46.000
Technology	9.000	11.000	11.000	11.000	0.000	0.000	11.000
Records	23.000	24.000	24.000	24.000	0.000	0.000	24.000
Detention Services	11.000	11.000	11.000	11.000	2.000	0.000	13.000
Community Resources & Training	32.000	32.000	32.000	29.000	0.000	0.000	29.000
	<b>484.000</b>	<b>489.000</b>	<b>493.000</b>	<b>493.000</b>	<b>8.000</b>	<b>0.000</b>	<b>501.000</b>
<b>Transportation &amp; Development</b>							
Transportation & Dev. Administration	10.000	9.000	9.000	9.000	0.000	0.000	9.000
Planning <sup>(1)</sup>	15.000	0.000	0.000	0.000	0.000	0.000	0.000
Development Services	33.000	32.000	32.000	32.000	0.000	0.000	32.000
Engineering	15.000	19.000	19.000	19.000	0.000	0.000	19.000
Capital Projects Management	19.000	20.000	20.000	20.000	0.000	0.000	20.000
Streets	40.500	40.500	43.500	43.500	0.000	0.000	43.500
Traffic Engineering	25.000	25.000	25.000	25.000	0.000	0.000	25.000
Transit Services	2.000	2.000	2.000	2.000	0.000	0.000	2.000
Street Sweeping	9.000	9.000	9.000	9.000	0.000	0.000	9.000
	<b>168.500</b>	<b>156.500</b>	<b>159.500</b>	<b>159.500</b>	<b>0.000</b>	<b>0.000</b>	<b>159.500</b>
<b>CITY TOTAL</b>	<b>1,620.925</b>	<b>1,635.175</b>	<b>1,650.925</b>	<b>1,650.925</b>	<b>33.750</b>	<b>-</b>	<b>1,684.675</b>
<b>Population *</b>	<b>244,439</b>	<b>244,687</b>	<b>250,626</b>	<b>250,626</b>			<b>252,882</b>
<b>Employees Per 1,000 Population</b>	<b>6.6</b>	<b>6.7</b>	<b>6.6</b>	<b>6.6</b>			<b>6.7</b>

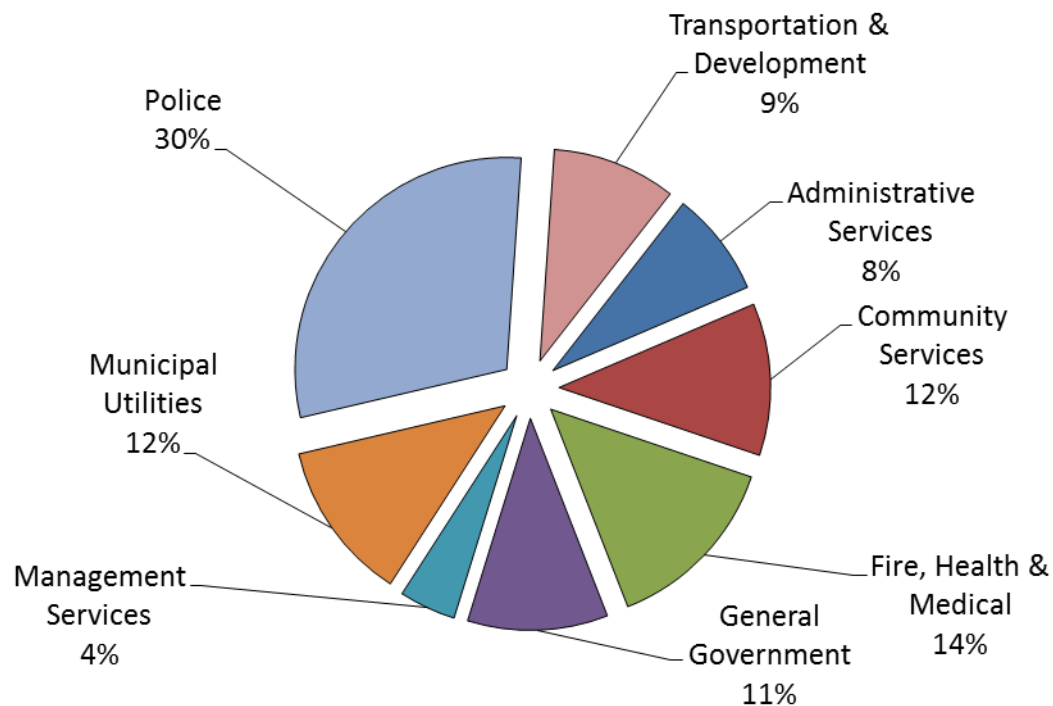
<sup>(1)</sup> Effective July 1, 2015, the Planning Division is transferred from the Transportation & Development Department to Organizational Support, as part of the City Manager Department.

\* Population figures are based on updated annual estimates from the Planning Division.

### Personnel Distribution by Department

The table and chart below reflect the percentage of personnel by department and the number of Full Time Equivalent (FTE) staff by department for Fiscal Year (FY) 2017-18.

Department	2017-18 FTE
Administrative Services	135.000
Community Services	195.675
Fire, Health & Medical	234.000
General Government	180.500
Management Services	73.000
Municipal Utilities	206.000
Police	501.000
Transportation & Development	159.500
<b>Total</b>	<b>1,684.675</b>



## New Positions for Fiscal Year 2017-18 (All Funds)

### Administrative Services Department

IT Infrastructure & Client Support (1280)	1.000	IT Programmer/Analyst
	<b>1.000</b>	<b>Total Administrative Services Department</b>

### Community Services Department

Center for the Arts (1100)	0.750	Food and Beverage Coordinator
	<b>0.750</b>	<b>Total Community Services Department</b>

### Fire, Health and Medical Department

Fire Operations (2230)	3.000	Fire Captain
Fire Operations (2230)	3.000	Fire Engineer
Fire Operations (2230)	6.000	Firefighter
	<b>12.000</b>	<b>Total Fire, Health and Medical Department</b>

### General Government

Community Development (4700)	1.000	Code Inspector
Planning (1510)	1.000	City Planner
	<b>2.000</b>	<b>Total Organizational Support</b>

### Law Department

Law (1300)	1.000	Legal Secretary
	<b>1.000</b>	<b>Total Law Department</b>

### Municipal Utilities Department

Ocotillo Water Reclamation Facility (3970)	1.000	Utilities Electrician
Ocotillo Water Reclamation Facility (3970)	1.000	Wastewater Facilities Superintendent
Ocotillo Water Reclamation Facility (3970)	5.000	Wastewater Treatment Plant Operator I
Ocotillo Water Reclamation Facility (3970)	2.000	Wastewater Treatment Plant Operator II
	<b>9.000</b>	<b>Total Municipal Utilities Department</b>

### Police Department

Field Operations (2030)	4.000	Police Officer
Field Operations (2030)	2.000	Police Administrative Specialist
Detention Services (2071)	2.000	Detention Officer - CDL
	<b>8.000</b>	<b>Total Police Department</b>

<b>33.750</b>	<b>Grand Total - Additions</b>
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Financial & Personnel Overview

Personnel Costs by Fund<sup>(1)</sup>

Personnel costs account for a significant portion of the total City operating budget. The table below breaks down the personnel costs by the various funding sources used to support City programs.

Fund Description	2015-16 Actual Expenditures	2016-17 Adopted Budget	2016-17 Adjusted Budget	2016-17 Estimated Expenditures	2017-18 Adopted Budget	% Chg Adj to Adopted
<b>General Fund</b>	<b>\$ 153,188,337</b>	<b>\$ 160,758,972</b>	<b>\$ 161,013,732</b>	<b>\$ 159,273,677</b>	<b>\$ 172,232,053</b>	<b>7.0%</b>
Ongoing*	-	152,279,281	153,207,041	153,206,986	158,292,883	3.3%
One-time*	-	8,479,691	7,806,691	6,066,691	13,939,170	78.6%
<b>Special Revenue Funds</b>	<b>\$ 4,325,645</b>	<b>\$ 4,446,110</b>	<b>\$ 4,452,942</b>	<b>\$ 4,316,690</b>	<b>\$ 4,491,453</b>	<b>0.9%</b>
Ongoing*	-	4,446,110	4,452,942	4,316,690	4,491,453	0.9%
One-time*	-	-	-	-	-	N/A
<b>Grant Funds<sup>(2)(3)</sup></b>	<b>\$ 2,790,020</b>	<b>\$ 4,096,909</b>	<b>\$ 4,283,918</b>	<b>\$ 763,317</b>	<b>\$ 2,546,311</b>	<b>-40.6%</b>
Ongoing*	-	4,096,909	4,283,918	763,317	2,546,311	-40.6%
One-time*	-	-	-	-	-	N/A
<b>Internal Service Funds</b>	<b>\$ 2,940,359</b>	<b>\$ 2,781,484</b>	<b>\$ 2,934,378</b>	<b>\$ 3,059,244</b>	<b>\$ 2,950,039</b>	<b>0.5%</b>
Ongoing*	-	2,479,609	2,482,503	2,637,494	2,574,786	3.7%
One-time*	-	301,875	451,875	421,750	375,253	-17.0%
<b>Enterprise Funds</b>	<b>\$ 17,593,617</b>	<b>\$ 19,192,096</b>	<b>\$ 19,224,194</b>	<b>\$ 17,890,547</b>	<b>\$ 20,236,281</b>	<b>5.3%</b>
Ongoing*	-	18,995,701	19,027,799	17,890,547	20,088,985	5.6%
One-time*	-	196,396	196,396	-	147,296	-25.0%
<b>Trust and Agency Funds</b>	<b>\$ 3,270</b>	<b>\$ 6,062</b>	<b>\$ 6,062</b>	<b>\$ 5,837</b>	<b>\$ 6,163</b>	<b>1.7%</b>
Total Ongoing	\$ 180,841,249	\$ 182,303,672	\$ 183,460,265	\$ 178,820,871	\$ 188,000,581	2.5%
Total One-time	\$ -	\$ 8,977,962	\$ 8,454,962	\$ 6,488,441	\$ 14,461,719	71.0%
<b>Grand Total</b>	<b>\$ 180,841,249</b>	<b>\$ 191,281,633</b>	<b>\$ 191,915,226</b>	<b>\$ 185,309,312</b>	<b>\$ 202,462,300</b>	<b>5.5%</b>

\* Ongoing and One-time detail not available for Fiscal Year (FY) 2015-16 Actual Expenditures.

<sup>(1)</sup> Personnel costs include wages, benefit costs, and temporary employment costs.

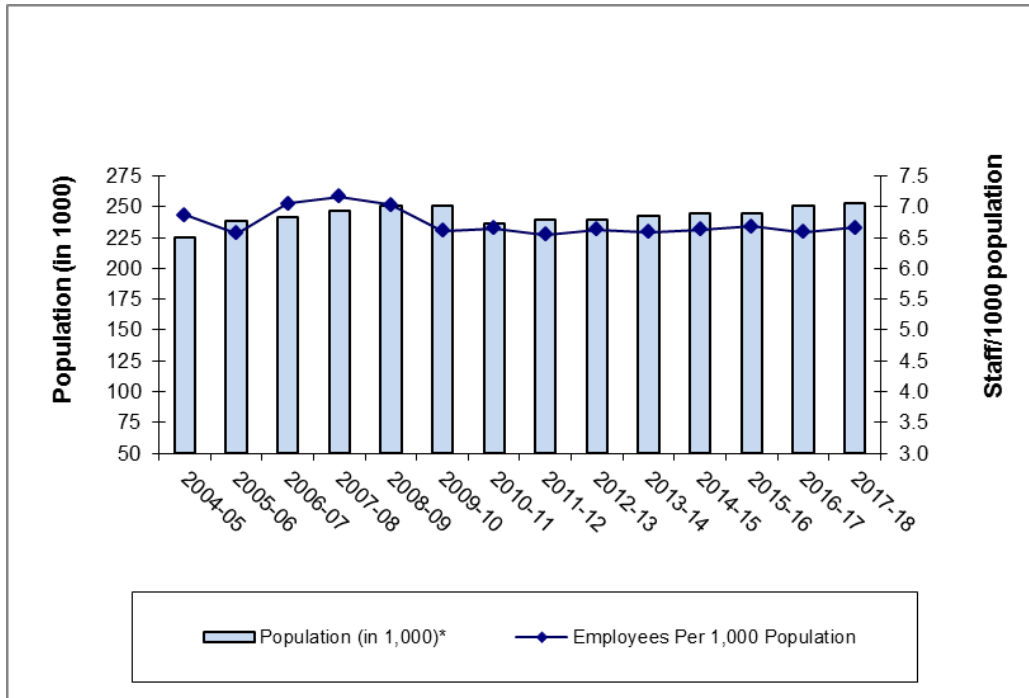
<sup>(2)</sup> Grant personnel funds are not considered one-time for this presentation.

<sup>(3)</sup> Effective July 1, 2017, the Adopted Budget for operating Grant funding will be in cost center 1290, Non-departmental. Actual Expenditures, Adjusted Budget, and Estimated Expenditures will continue to reflect Grant funds.



### Number of Employees per 1,000 of Chandler's Population

The chart below shows Chandler's population growth over the past decade and the number of employees per 1,000 of population. The workforce was reduced by 10% through the economic downturn. Chandler has maintained approximately 6.6 employees per 1,000 in population for several years, and is projecting to be at 6.7 employees per 1,000 for Fiscal Year (FY) 2017-18.



Chandler maintains one of the lowest employee ratios compared to other Valley cities and towns as shown on the chart below.

